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Now rounding out 57 years of service, the continuing success of the Preferred is built upon a policy of steady, natural growth. Emphasis on intelligent insurance

underwriting, both in the field and home office, and prompt settlement of claims has assured this growth.

That the course the Preferred has followed met the approval of Producers of the highest type throughout the nation, is evidenced by the fact that the mutually profitable relationships between the Company, its Agents and Brokers are usually of many years' standing.

THE PREFERRED ACCIDENT INSURANCE COMPANY

HOME OFFICE, 80 MAIDEN LANE, NEW YORK, N. Y.

EDWIN B. ACKERMAN, *President*

AUTO ACCIDENT BURGLARY PLATE GLASS LIABILITY

THURSDAY, JULY 16, 1942

"America Fore"
urges you to
BUY WAR BONDS
for America

U. S. TREASURY DEPT. PHOTO

THE NATIONAL UNDERWRITER. Published weekly (with one additional issue in April) by The National Underwriter Company. Office of publication, 175 W. Jackson Blvd., Chicago, Ill., U. S. A. Forty-sixth year. No. 20. Thursday, July 16, 1942. \$4.00 a year (Canada \$5.00), 20 cents per copy. Entered as second-class matter April 25, 1931, at the post office at Chicago, Ill., under Act of March 3, 1879.

The NATIONAL UNDERWRITER

Forty-sixth Year—No. 29

CHICAGO, CINCINNATI, NEW YORK AND SAN FRANCISCO, THURSDAY, JULY 16, 1942

\$4.00 Year, 20 Cents a Copy

Sale of War Cover Continues at Lively Pace

**Applications Still Heavy,
But Work Falls Into
Routine**

The writing of War Damage Corporation insurance is continuing at a steady pace and in most places the number of applications appears to be holding up about at the same rate as during the first days of July. The operation in the offices of most fiduciary agents had developed into a routine and the number of practical questions of interpretations that occur is far less than during the first hectic days. Also there are fewer errors in the applications. Extending the time during which binders might be taken to July 15, it is felt, helped to spread the work more evenly as it reduced the demand for turning out completed policies in a hurry. Most companies say that it still takes them about two days to complete the issuance of policies.

A surprising fact is the large number of house holders that are buying War Damage Corporation insurance. This is due doubtless in large part to prompting and pressure on the part of the mortgagees but a great many home owners appear to be buying the insurance on their own initiative. The idea seems to be catching. A man decides to buy a policy and tells his friend about it over the fence and the latter decides to buy. There have even been householders who said that they were buying the policy more or less as a war souvenir, although, of course, at heart they may have a more serious motive.

U. S. Steel Is Buying

United States Steel has arranged to purchase about one billion dollars of WDC insurance. A binder was taken out prior to July 15, and the details of the coverage are now being arranged. In view of the fact that some of the plants of the U. S. Steel subsidiaries are owned by the government and operated by U. S. Steel, the matter of individual responsibility for taking out insurance as between the government and the steel corporation must be worked out.

The premium will probably be well in excess of \$1,000,000. Previously it was announced that American Telephone & Telegraph Co. was taking \$1,400,000,000 of coverage.

Earlier this year U. S. Steel, which had been a self-insurer, switched over to private insurance and the coverage was arranged in the Factory Association.

The answer to an inquiry from California as to whether war damage insurance might be written upon property

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N. A. I. A. Reaches Membership Peak

**Mark Is Now 16,369—
Record Accented by
War Problems**

A new high membership mark of 16,369 was reached this week by the National Association of Insurance Agents, it has been announced by F. R. A. McGlynn of Worcester, Mass., chairman of the membership committee. Not only



F. R. A. MCGLYNN

does this top all National association membership records, but represents a total net increase of 132 member agencies since the beginning of the last fiscal year, Sept 1, 1941.

Although the total net increase to date in the current fiscal year may not appear at first glance to be large, Mr. McGlynn points out that there has never been a time when more individual agents were closing shop to enter branches of the armed or civil services, or when so many agencies with depleted producing staffs were consolidating. This trend has brought about a relatively large number of member agencies dropped from state and National association rolls, which has been offset only by diligent replacement campaigns, the chairman said.

Two Recent Developments

Considerable credit for this new membership record is given by Mr. McGlynn and his committee to the increased scope and value of services offered by local boards, state associations and the national organization. New local boards are being formed in many centers, he said, and several relatively inactive associations are reorganizing on the basis not only of greater service to existing members but to effect a more solid front in the community.

Two important recent developments have contributed to the services available to member agents and their employees. One is the educational guidance and facilities offered through the educational division of the National association, and

Cut Marine War Risk Commissions to 5 Percent

**Reduction Applies Where
Rate of Premium
Exceeds 1 Percent**

The American Institute of Marine Underwriters announces that effective Aug. 1 the brokerage commission for war risk insurance on cargo shipments would be reduced from 10 percent to 5 percent where the rate of premium is in excess of 1 percent. The following statement was issued with respect to the change:

"In view of the way that the war risk situation has developed and for reasons well known, marine underwriters have been forced to raise the charges for war risk insurances on cargo shipments far beyond any figures that had been contemplated at the time the original scale of normal brokerage of 10 percent was fixed.

"While recognizing that the brokers could expect a normal brokerage where war risk rates have not risen to exceptional heights, the marine underwriting market announces that in order to alleviate this extraordinary situation, and with the complete co-operation of the brokers, arrangements have been made whereby the brokerage is reduced.

"This change will apply to all war risks insurances on goods, bullion and specie, and freights insurance on a voyage basis. It will also include parcel post and air express."

the other is the advice and counsel being furnished to members by a majority of local and state associations in relation to the War Damage Corporation application, policy, rules and regulations. He cited the series of 18 special meetings held throughout the state by the California association two weeks ago to furnish the public, through members, authoritative information on war damage insurance coverage.

No Membership Goal Set

The membership committee has set no goal this year, Mr. McGlynn explained, because of the many restrictions placed upon personal membership development. These include curtailment in the use of automobiles through tire and gasoline conditions, and the decreased time membership workers have for such activities because of increased responsibilities in their offices. In spite of these circumstances, the aggressive state associations have found other effective means of keeping themselves before non-members, especially through more district meetings, increased correspondence with non-members, and activities within local, county or regional boards.

Home Pays 20 Cents Extra

In addition to the regular semi-annual dividend of 60 cents a share, the Home has declared an extra of 20 cents, payable Aug. 1 to stock of record July 15.

Curtis Pierce Is Named as New F. I. A. President

**To Be Operating Officer
—Merger Program Is to
Proceed**

HARTFORD—Curtis W. Pierce, vice-president of the America Fore companies since 1924, has been elected president of the Factory Insurance Association of Hartford, which will now operate on a nationwide basis following adoption of plans for expansion last May in New York City. The F.I.A.



CURTIS W. PIERCE

is merging now with the other two such organizations in the country. Broadening of the program of underwriting was decided on at that time so that the member stock fire insurance companies might serve the nation's war program more effectively. Ivan Escott of Home has been the president of F.I.A. It appears that under the new setup the president will be an operating officer. Mr. Pierce is resigning his connection with America Fore.

Mr. Pierce was named to the new post in Hartford last week. Since September he has been manager of the Washington office of the Insurance Committee for the Protection of Industrial Plants, and chairman of the advisory committee.

A native of Brooklyn, Mr. Pierce was educated in the public schools of Massachusetts and now lives in Upper Montclair, N. J. After being employed as draftsman and designer for a Quincy, Mass., granite company, he entered the insurance field in 1900, at the age of 20, when he joined the engineering de-

(CONTINUED ON PAGE 9)

C. D. West with General Schuyler

Named Executive Vice-president—Other Changes Made

Converse D. West has been elected executive vice-president and a director of General Schuyler Fire of Albany. Mr. West will establish headquarters at 80 John street, New York City, and



C. D. WEST

will divide his time between Albany and New York City. Until recently Mr. West was a vice-president and director of Constitution Reinsurance and of Eagle Fire of New Jersey. He was primarily responsible for the facultative reinsurance operations of those companies. He has a wide acquaintanceship in the business and is, of course, particularly well posted on reinsurance matters. It is indicated that General Schuyler's reinsurance operations will be expanded.

At the same time William M. Carlson was elected a director of General Schuyler. He is resident vice-president in New York of Rhode Island and is also a director of Christiania General.

Closer Business Relationship

According to Donald B. Rider, secretary of General Schuyler, these elections are intended "to effect a closer business relationship between General Schuyler and companies with which it has substantial reinsurance relations. They presage no present change in its general policy of operation but are a step in a program of conservative development and expansion of the company's sphere of operations, with special emphasis on its reinsurance activities."

General Schuyler Fire was organized to operate in conjunction with the New York Cooperative Underwriters and the officers, directors and stockholders heretofore have been largely those connected with the operations of the New York state standard advance premium cooperative fire insurance companies. Frank P. Tucker, who is secretary of the New York State Association of Cooperative Fire Underwriters, is president of General Schuyler. As of Dec. 31, 1941, assets were \$514,008, premium reserve \$131,845, capital \$200,000 and net surplus \$163,482.

Next Year's Meeting in Chicago

The directors of the National Fire Protection Association voted to hold the 1943 meeting in Chicago in May. Because of uncertainties as to the war situation final plans will not be made until spring.

Royal's Head Office Report Shows Strength

Operations of the Royal for 1941 were reviewed in the annual report issued by Chairman A. Kentish Barnes on the occasion of the annual general meeting. "I mentioned last year," Mr. Barnes said, "that in many important directions we were affording help to the government. This assistance has been continued and extended. Since the commencement of the war, we and our allied companies have issued on behalf of the government approximately one million policies or certificates of insurance under the various war risk insurance schemes. During 1941 a scheme was formulated for the handling by insurance companies of all claims on the government under commodity insurance and business war damage policies. For this purpose, committees have been formed throughout the country and the Royal and its allied companies are bearing a full share of this work. In addition, we have, together with other companies, placed at the disposal of the government the services of our technical staff for inspection purposes with the object of fire prevention and we feel that in this field, which is particularly their own, insurance companies can render valuable assistance of national importance."

Activities in Other Lands

"Nor are our activities limited to this country. We have welcomed the opportunity to render similar assistance in Canada, India, and the other Dominions, while, in the United States the technical organizations controlled by the companies generally have been active in fire prevention service in factories and plants vital to the war effort."

Although affected adversely in some departments, underwriting experience was on the whole highly satisfactory.

In the fire department the net premium total for 1941 amounted to £5,754,087 as compared with £5,546,224 for 1940. Losses amounted to £2,625,849, a profit of £413,649, or 7.19 percent, being carried to profit and loss account. Losses, although less than in 1940, were still abnormally heavy. "In the United States," Mr. Barnes said, "our premium income expanded with the growth of industrial activity and increased commodity prices; but losses were also higher, several fires of exceptional severity having occurred. With the entry of the United States into the war, many new problems have arisen, and we are once again indebted to Harold Warner and his assistants for their capable handling of our affairs in a time of increasing difficulty and complexity."

"In Canada, also, losses showed an increase, but a gratifying expansion of premium income helped to produce a moderate underwriting profit."

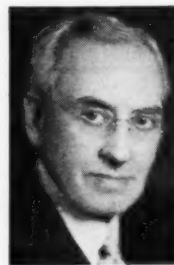
Accident and General Results

The premium income in the accident and general departments showed a substantial gain over 1940 and profit was maintained. Net premiums amounted to

(CONTINUED ON PAGE 9)

Marks 50 Years in Insurance in Chicago Agencies

James I. Loeb, president of Associated Agencies of Chicago, on Thursday of this week is completing 50 years in the local agency business in that city. He is giving a party Friday evening in the Standard Club for the men in the office to the number of about 50. He is one of the outstanding agency executives in the city and throughout he has been an influential factor in the Chicago Board, having been a director and having served on most of the committees.



James I. Loeb

Mr. Loeb is a native of Cincinnati. As a youngster he was in the furniture business in Kansas City for about three years and then he made a social visit to Chicago and was enamored of the city. His uncle, Adolf Loeb, conducted a local agency in Chicago as Adolf Loeb & Son and James I. Loeb went with that organization in 1892 as cashier. Incidentally the two sons of Adolf Loeb are in the insurance business in Chicago today, Arthur Loeb being of Stumes & Loeb, general agents of Penn Mutual Life, and Leo Loeb being a broker.

Started Own Agency

James I. Loeb remained with Adolf Loeb & Sons until 1895 when he entered the agency business on his own account. In 1901, he formed a partnership with Nathan Gutman and Joseph Wile operating as Wile, Loeb & Gutman. Later Mr. Gutman died and a combination was effected with the local agency of Klee, Rogers & Co. and the combined organization operated as Klee, Rogers, Wile & Loeb, that being in 1916. In 1926, Allan I. Wolff entered the organization and the title was changed to Klee, Rogers, Loeb & Wolff and about 1935 when a relationship was established with Herrick & Auerbach, an operating firm was set up under the name of Associated Agencies.

Mr. Loeb was quite active in the negotiations leading to the erection of the Insurance Exchange Building in Chicago. He was secretary of the original Tenants Association at the time that Charles N. Bishop was president.

A son, Theodore Loeb, was connected with the Associated Agencies until he entered army service. He is now located at Patterson Field.

Indiana Gets War Bond Banner

Parke A. Cooling, president of Indiana Insurance Company, announces that more than 90 percent of the employees have subscribed to the payroll savings plan of purchasing war bonds and a banner will be installed in the home office.

Some Tex. Agents May Fight Commission Rule

DALLAS—The largest midsummer membership meeting of the Dallas Insurance Agents Association ever held assembled to discuss the "commission situation" and after past presidents of the Texas and the Dallas associations, Tom P. Ellis and Eric C. Gambrell, had reviewed the commission problem and had told agents that the board of insurance commissioners had chosen what it considered the lesser of two evils in asking the companies to standardize the commissions, in this way averting a rate war, many questions were asked and considerable heat was generated, even in the air-conditioned room.

Dallas Group Protests

The Dallas exchange members agreed that the Texas and the Dallas associations had acted wisely in not contesting the action, but a minority group asked for the privilege of acting as individual agents in continuing the protest "outside the association" and this request was granted on the grounds that it was a constitutional privilege. The meeting was adjourned and immediately a "meeting of Dallas agents" assembled and a small group decided further to investigate the legality of the procedure, contending that the commission question was a matter of private contract between the companies and their agents and that if the fire insurance rates in Texas were too high, the insurance commissioners should have reduced them but that it was not the function of the board to set the commissions. When one speaker denied the statement that the board had set the commission but had merely indicated in the rating formula that the agents' commission factor should be set at 20 percent, other speakers were quick to reply that the board "had evidently told the companies to either get in line or else." The more conservative local agents agreed that they were still fundamentally opposed to the regulation of commission by any board or other governmental body but that they preferred trying out the present plan rather than precipitate a rate war, which seemed evident at least to the Texas Association of Insurance Agents and to the insurance commissioners.

It is understood that the protesting minority group has consulted legal talent in an effort to carry on the fight against commission regulation, to which practically all the companies have agreed. Local agents of Texas have been advised by their companies that agency commission will be 20 percent on fire business with no contingent commissions.

Fire Loss Record for Half Year Is Given

NEW YORK—With the inclusion of the June figures, the fire losses of the country for the first half of 1942, as estimated by the National Board, total \$170,492,000, compared with \$163,953,000 for the like period last year, and with \$170,069,480 for the first six months of 1940. The losses last month aggregated \$22,410,000, 10 percent below June, 1941. The record for each of the six months for the three years is:

	1940	1941	1942
Jan.	\$ 36,260,650	\$ 26,470,000	\$ 35,565,000
Feb.	34,410,250	26,102,000	30,819,000
Mar.	29,788,800	31,471,000	30,505,000
Apr.	26,657,190	29,330,000	27,960,000
May	23,466,090	25,637,000	23,233,000
June	19,506,000	24,943,000	22,410,000
Total 6 mos.	\$170,069,480	\$163,953,000	\$170,492,000

Fire Prevention Week

Fire Prevention Week this year will be Oct. 4-10. Considerable advanced planning for the week is being made.

THIS WEEK IN INSURANCE

Sale of War Damage Corporation insurance continues at pace scarcely less active than during the first days of July. Page 1

Curtis W. Pierce is elected president of Factory Association under enlarged program that contemplates consolidation of F.I.A., Western Factory and Pacific Factory. Page 1

Membership of National Association of Insurance Agents reaches a new high of 16,369. Page 1

Where rate of premium exceeds 1 percent, the brokerage commission for marine war risk insurance on cargo shipments is reduced from 10 percent to 5 percent. Page 1

Committee of the industry is named to study interstate rating problem along with insurance commissioners. Page 17

Combined aviation insurance results for 1941 are tabulated by the New York insurance department. Page 3

Superintendent Pink of New York appoints group to investigate "gap" in war coverages and make suggestions. Page 3

The National Association of Insurance Commissioners has announced the appointment of the standing committees to serve for the ensuing year. Page 8

National Bureau publishes three bicycle liability classifications and authorizes personal liability coverage for volunteer war workers and new rate plan for post exchanges. Page 17

Assigned automobile risk plan established in Wisconsin. Page 17

Final details of pool to write civilian war injury accident policy are worked out. Page 10

Conick Answers WDC Questions for Chicagoans

New "All Purpose" Endorsement Form Is to Be Issued

H. C. Conick, assistant U. S. manager Royal-Liverpool, answered a number of interesting questions about the War Damage Corporation insurance plan at a crowded meeting at the Chicago Board auditorium Tuesday afternoon. E. A. Henne, vice-president America Fore group, who is chairman of the Chicago volunteer committee on WDC rule interpretation, introduced Mr. Conick and Kent Parker, assistant manager Western Actuarial Bureau, secretary of the committee, took part in the discussion. About 200, representing virtually every insurance office, attended.

Mr. Conick made it clear that WDC will not answer hypothetical questions. He was compelled to decline a few questions about the insuring clause of the WDC policy on the ground that no answer is obtainable at present.

Need for Rule Compliance

One point which Mr. Conick emphasized was the necessity of complying literally with the rules. He said that assured are not dealing with insurance companies, but with the government, and that everyone taking part in the war damage program is acting under regulations set up by congressional authority. Mistakes may not be caught until a loss occurs, but they will surely be detected then and the only way to avoid serious difficulty is to be sure that the rules have been followed, even though this means inconvenience and work.

Mr. Conick has been close to all the negotiations and conferences under which WDC was launched, but he pointed out that he has no specific authority to commit WDC by his statements. R. A. Parker, manager Chicago Board, closed the meeting by asking those present not to embarrass Mr. Conick by quoting him as though he had made official pronouncements.

New Endorsement Form

A new "all purpose" endorsement, form No. 14, will be released soon, Mr. Conick said. This form may be used to correct many matters caused by errors in the application, such as name of assured, interest, address, loss payee, effective date, description of property, etc. This will eliminate the necessity of cancelling, getting a new application and writing a new policy when an error is detected.

Mr. Conick explained that much of the information and copies of applications and tickets required is due to the necessity of being able to give members of congress and other government officials information which they may desire with a minimum of delay.

In answer to a question, Mr. Conick said that, since the description of contents does not exclude automobiles, there is no reason why a policy covering the contents of a plant does not include automobiles on the premises. To be covered away from the premises, however, they must be specifically described. He also said that the rules do not specifically require listing the motor and serial numbers of automobiles, or other information usually required in an automobile policy, but

(CONTINUED ON PAGE 8)

Pink Names Group to Study War Gap Problem

NEW YORK—Superintendent Pink, acting as coordinator on war damage insurance for the National Association of Insurance Commissioners, has appointed a committee to study the possibility of bridging any gap that may exist between the government coverage and that of private companies. The study will be directed along three lines: A delineation of the coverage of the war damage corporation; an effort to extend private coverage, if necessary, to bridge any gap; consideration of the possibility of providing coverage for consequential war damage not contemplated by the government plan.

The committee is composed of Edward McLoughlin, deputy New York superintendent, chairman; H. C. Conick, assistant United States manager of Royal-Liverpool; William D. Winter, president Atlantic Mutual; W. H. La-Boiteaux, president of Johnson & Higgins; Harold Wayne, secretary-manager Inland Marine Underwriters Association; A. J. Smith, president Association of Local Agents of the City of New York; George F. Sullivan, president General Brokers Association; Joseph F. Collins, chief of the rating-bureau New York department, and Charles E. Ryan, chief fire and marine bureau, New York department.

Big Block of Home Stock Is to Be Sold July 29 by the Banks

The Royal Bank of Canada announced that a block of 493,000 shares of Home of New York stock and 800 shares of National Liberty in its possession will be auctioned by Adrian H. Muller & Son July 29. These shares were hypothecated several years ago by Home Fire Securities Co. in connection with a loan that originally amounted to about \$18,000,000. The principal of the loan was reduced by application of dividends paid during the past few years. In 1935 Home gave to Home Fire Securities 500,000 shares of its own stock for the stock interest in National Liberty, Baltimore American and Peoples National that were then controlled by Home Fire Securities.

President Harold V. Smith of Home stated that the company had no liability as maker, guarantor or otherwise for the bank loan or obligations of Home Fire Securities. He stated that Home naturally had an interest in the ultimate disposition of so large a block of stock and he said he presumed that it would be bought in by the banks.

As of last March 31, the amount of the loan was \$16,257,933. At current market, the block of Home shares should bring a price of better than \$14,000,000.

According to the New York "Times" the banking house of Lehman Brothers, New York, is holding preliminary discussions with several investment houses exploring the possibilities of acting as an underwriting group for the 493,400 shares of Home stock, which will be auctioned July 29.

Willis Assistant Manager of Western Factory

E. W. Willis has been appointed assistant manager of Western Factory Association of Chicago. Mr. Willis is widely experienced in both engineering and underwriting.

He attended Armour Institute of Technology and on graduation in 1928 went directly into the engineering department of Western Factory. In 1933 he was transferred to the underwriting department. After serving three years in that division, he returned to the engineering department.

Air Hull Premiums Up; P. L. Income Down in '41

NEW YORK—Net premiums received by fire and casualty companies upon their country-wide aviation business last year totaled \$6,816,249, an increase of \$80,063 over the returns for 1940. Of last year's figures, according to the tabulation prepared by the New York department from data supplied by the Board of Aviation Underwriters, premiums on hull business amounted to \$5,440,992, compared with \$4,496,953 received in 1940; a gain of \$944,039.

Premiums for casualty covers in 1941 were less by \$863,976 than those for the preceding 12 months, the income for 1941 being \$1,375,257 and that for 1940, \$2,239,233.

As against the hull premiums last year the carriers had incurred losses and loss expense of \$2,291,343, a ratio of 42.11 percent upon 2,393 reported claims.

During the same period the casualty writing companies incurred losses and loss expense aggregating \$524,414, or 38.13 percent. Three hundred and fifty claims were received.

The subjoined tabulation upon a country-wide basis sets forth the income and outgo of both hull and casualty insurers for each of the years, 1937 to 1941 inclusive.

TOTAL HULL EXPERIENCE						
Policy Year	Net Premiums Written	Incurred Losses Including Expense	Paid Losses Including Expense	Loss Reserve Dec. 31, 1941	Loss Ratio	No. of Claims
Scheduled Air Lines						
1937	\$ 506,625	\$ 83,368	\$ 83,368	.....	16.46	22
1938	508,193	324,017	324,017	.....	63.76	27
1939	1,022,933	204,495	197,082	\$ 7,413	19.99	36
1940	1,185,804	530,532	498,657	31,875	44.74	46
1941	1,413,523	295,217	212,648	82,569	20.89	37
Total	\$ 4,637,078	\$ 1,437,629	\$ 1,315,772	\$ 121,857	31.00	168
All Other Types						
1937	\$ 972,246	\$ 436,677	\$ 436,677	.....	44.91	155
1938	1,325,306	954,415	954,415	.....	72.01	245
1939	1,510,652	969,627	964,427	\$ 5,200	64.18	673
1940	3,311,149	2,133,668	1,617,331	516,337	64.43	3,133
1941	4,027,469	1,996,126	1,291,322	704,804	49.56	2,356
Total	\$11,146,822	\$6,490,513	\$5,264,172	\$1,226,341	58.22	6,562
All Combined						
1937	\$ 1,478,871	\$ 520,045	\$ 520,045	.....	35.16	177
1938	1,833,499	1,278,432	1,278,432	.....	69.72	272
1939	2,533,585	1,174,122	1,161,509	12,613	46.34	709
1940	4,496,953	2,664,200	2,115,988	548,212	59.24	3,179
1941	5,440,992	2,291,343	1,503,970	787,373	42.11	2,393
Total	\$15,783,900	\$7,928,142	\$6,579,944	\$1,348,198	50.22	6,730
TOTAL LIABILITY EXPERIENCE						
Scheduled Air Lines						
1937	\$ 840,959	\$ 315,749	\$ 315,749	.....	37.54	141
1938	1,002,241	463,670	453,670	\$ 10,000	46.26	166
1939	1,371,202	282,166	247,633	34,533	20.57	287
1940	1,650,513	1,030,063	515,173	514,890	62.40	281
1941	752,565	483,492	30,068	453,424	64.24	175
Total	\$ 5,617,480	\$2,575,140	\$1,562,293	\$1,012,847	45.84	1,050
All Other Types						
1937	\$ 327,180	\$ 210,826	\$ 170,526	\$ 40,300	64.43	154
1938	307,818	63,520	29,520	34,000	20.63	108
1939	395,184	104,592	89,517	15,075	26.46	147
1940	588,720	153,360	125,469	27,891	26.04	181
1941	622,692	40,922	21,949	18,973	6.57	175
Total	\$ 2,241,594	\$ 573,220	\$ 436,981	\$ 136,239	25.57	765
All Combined						
1937	\$ 1,168,139	\$ 526,575	\$ 486,275	\$ 40,300	45.07	295
1938	1,310,059	527,190	483,190	44,000	40.24	274
1939	1,766,386	386,758	337,150	49,608	21.89	434
1940	2,239,233	1,183,423	640,642	542,781	52.84	462
1941	1,375,257	524,414	52,017	472,397	38.13	350
Total	\$ 7,859,074	\$3,148,360	\$1,999,274	\$1,149,086	40.06	1,815

The increase in aviation hull premiums and the decrease in liability business may be attributed partly to rate changes that were put into effect last year. There was an increase of about 3 percent in the crash premiums for hulls, and there was a decrease of about \$20 in the basic premium per plane in connection with the liability coverage. Then there was a rate decrease of about 50 percent on liability insurance required under the civilian pilot training program. A large part of the showing in the hull department is probably attributable to the increase in manufacturing risks in connection with the war program. A good many of the private plane owners last year put their planes away and did not use them, dropping the third party coverages but retaining fire insurance, etc.

The report of the New York department does not include workmen's compensation premiums written by the aviation insurers, and there was a decided increase in that department.

In the hull department the net premiums in 1941 of scheduled airlines were \$1,413,523 as compared with \$1,185,804 the previous year. The incurred losses last year were \$295,217, loss ratio of 20.89, and there were 37 claims. Premiums from industrial aid risks were \$166,900 as compared with \$162,487 the previous year. Losses were \$12,502, loss ratio 7.49 and there were 30 claims. The flying services' premiums were \$1,352,544 as compared with \$796,039 the previous year. Losses were \$485,447, loss ratio 35.89 and the number of claims 1,407. Premiums in the manufacturers' classification were \$1,864,771 as compared with \$1,948,908 the previous year. Losses were \$1,249,836, loss ratio 67.02 and there were 109 claims. In the private pleasure classification the premiums were \$643,254 as compared with \$403,715. Losses were \$248,341, loss ratio 38.6 and there were 810 claims.

The public liability premiums on scheduled airlines were \$32,934 in 1941 as compared with \$74,047 the previous year. Losses were \$4,423, loss ratio 13.42 and there were four claims. In connection with industrial aid risks the P. L. premiums were \$19,604 as compared with

\$21,313 the previous year. There were no losses. The P. L. premiums for flying services were \$62,395 as compared with \$70,261 the previous year. Losses were \$9,382, loss ratio of 15.03 and there were 11 claims. In the manufacturers' classification the P. L. premiums were \$80,759 as compared with \$60,487 and there were no losses. In the private pleasure classification the premiums were \$70,240, as compared with \$52,169 the previous year. There were 110 claims. The losses were nominal.

In the field of passenger liability the premiums from scheduled airlines last year were \$686,924 as compared with \$1,501,562 the previous year. There were \$474,585 losses, loss ratio 69.07, and there were 124 claims. The passenger liability premiums in the other classifications were not substantial. The total property damage liability premiums last year of all classifications were \$243,604, the incurred losses were \$27,274, loss ratio being 11.19 and there were 169 claims.

War Damage Units Shown in Action



This is a view of a section of Fireman's Fund war damage insurance department at its head office. More than 60 are now employed full time in checking, coding and writing war damage policies from applications which have been coming in at the rate of 3,500 a day.

In all of its offices Fireman's Fund Insurance has 250 employees to handle only war damage insurance applications.

The largest liability assumed on any

one risk was for \$157,000,000 and among the larger single premium checks handled at San Francisco was one from the Golden Gate Bridge authorities for \$40,869.

More than 82,000 mimeograph forms containing information, instructions and questions and answers covering war damage insurance have been mailed to agents and brokers by Fireman's Fund since July 1.



In order to handle the deluge of applications for war damage insurance, Automobile has set up a virtual assembly line, in order to gain the benefits of "mass production." In anticipation of the rush, the companies several weeks ago employed 40 additional men

and women in a special division, which has already received some 15,000 applications, and completed 12,000 policies. A comparable number of binders was also received, pending arrival of properly completed applications from the producers in the field.

A. F. I. A. Latin-American Business Is Stimulated

NEW YORK—With the loss of the Philippine Islands the American Foreign Insurance Association lost one of its finest agency connections, the business in the city of Manila particularly being choice as to volume and risk classification. The office for the Islands had been established for years, and under the management of E. E. Elser had been a steady source of profit.

In all other parts of the world occupied by enemy forces the American Foreign Insurance Association has been compelled to cease operations. Elsewhere, and notably in Central and South America, it is still carrying on, and with increasing success, many leading merchants in Brazil and other South American republics seeking the protection of its policies.

The governments of Brazil, Uruguay and Chile recently have asked whether war risk contracts would not be extended to them by way of reinsurance, especially upon hulls and cargo. These inquiries were referred by the A. F. I. A. to the War Shipping Administration.

F. W. Rutherford, assistant secretary North British & Mercantile, has been elected a vice-president of the New York City control of the Controllers Institute of America.

"Ad" Men Switch Meeting Place to N. Y. Sept. 21-22

The annual meeting of the Insurance Advertising Conference will be held at the Hotel Roosevelt, New York, Sept. 21-22. Original plans for the meeting scheduled for Swampscott, Mass., were changed due to war conditions and New York City was voted the most logical and convenient place for the meeting. The decision to change the meeting place was made by the executive committee following a vote of the membership taken by mail.

According to Robert E. Brown Jr., Aetna Casualty, president of the conference, the meeting promises to be most informative and complete and will be a "shirt sleeve" affair.

Carter, Lepper Are Honored

At a luncheon in Detroit, George W. Carter, president, and Louis J. Lepper, secretary of the Detroit Insurance Agency, received gold watch fobs in recognition of 25 years' representation of Fidelity-Phenix. Vice-president E. A. Henne of the western department made the presentation at the gathering, which was also attended by Secretary H. W. LaRue and State Agent L. J. Gilmour. Present, in addition, were H. L. Newman, vice-president of the agency, and 10 office associates.

Who makes the profit on a penny postcard?

That's easy to answer. You can start a new path to greater profits by dropping a postcard in the mail today. Address it to the Alliance Insurance Company, Philadelphia, and ask about Alliance's Seasonal Selling Kit.

Alliance Agents are doing more business today, because their sales are intelligently planned to hit each seasonal peak. Every Alliance Agent is helped by this special plan, designed to give the greatest amount of aid at the right time . . . and guide his selling without wasted effort. Send that card to Alliance now . . . a plain penny postcard can mean business for you!



THE ALLIANCE INSURANCE CO. of PHILADELPHIA

1600 Arch Street

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Service Offices located in principal cities. Complete nation-wide insurance facilities for Agents and Brokers.

"Larry" Daw Paid Tribute by Field Men of New York

SYRACUSE, N. Y.—The summer meeting of the Underwriters' Association of New York State held here was one of the shortest in recent years, lasting only one hour. The attendance also was unusually light.

Called to order by President S. W. Ross three visitors were introduced: Secretary Fred C. Bertiaux, Hanover; W. J. Ward, manager, and H. D. Rice, assistant manager, New York Fire Insurance Rating Organization.

Lawrence Daw's Report

The high-light of the meeting was the report of secretary Lawrence Daw, who has also been manager of the Syracuse division of the New York Fire Insurance Rating Organization. This meeting marked Mr. Daw's retirement from active service in the insurance industry.

Mr. Daw referred to his start with the rating organization in May of 1913 as an engineer in a newly formed department. In 1917 he was appointed chief engineer. In 1924 he was elected secretary of the Underwriters' Association of New York State, a position he has held continuously since.

Chairman Loren Goulding of the executive committee announced the election of Arthur Birchenough as secretary to succeed Mr. Daw. He has acted as assistant secretary for a number of years. He is secretary of the Syracuse district of the Fire Insurance Rating Organization.

Executive Committee's Work

Mr. Goulding said the executive committee had considered the automatic inclusion of smoke damage in dwelling policies, but this had been abandoned as impractical. He announced that all rates in New York state are now being published in card form. The printing department maintained for some years in Syracuse has been dismantled, and other provisions made for future printing. The executive committee had decided that it had no jurisdiction over the proposed renewal certificate which may be used in New York.

Chairman Leon Howell of the farm committee said his group is working closely with farmers' organizations toward preventing farm fires in these times as part of the war effort.

A resolution was adopted on the recent death of C. A. Rich who died in Pittsburgh several weeks ago. Mr. Rich became a member of the Underwriters' Association in 1907. A number of new members were admitted, the only one present being William Donovan, Eagle Star.

At a testimonial dinner Mr. Daw was the guest of honor. Nearly 125 company representatives paid tribute to his years in the business. Presentation talks were made by H. S. Visscher and John Jordan, and two traveling bags presented to Mr. Daw.

Insurance Almanac Out

The "Insurance Almanac" published by the "Weekly Underwriter," 116 John street, New York, priced at \$3, is found on almost every live insurance executive's desk for personal reference. It is one of the most valuable compendiums of insurance facts that can be found. The compilers always do a very accurate and helpful job. It would be interesting to know how many different items are contained in this volume. Summarizing the "Insurance Almanac," it rightfully says that it is the "who, what, where and when in insurance."

To Enforce Relief Act

A. D. Gerner, until April 1 a fire insurance agent of Dallas, was one of three men indicted in federal court for alleged

conspiracy to violate the soldiers and sailors relief act by illegally repossessing the automobile of a soldier stationed at El Paso. This is the first case of its kind to be presented in the Dallas federal court, and according to Assistant U. S. Attorney C. Hood is the beginning of a drive to enforce the relief act, in which a court order is required to repossess, from soldiers and sailors, articles bought prior to October 17, 1940.

Serve your customers 100 percent by mailing them the **Insurance Buyers' Digest** each month. Write The National Underwriter for sample.

Maintain Cover on Hotels Taken by Army

NEW YORK—Leasing by the government of a number of leading hotels in Atlantic City and Miami for use of the armed forces, will in no way affect the insurance upon these structures, according to fire insurance observers. The hotels are among the largest and most modern of their class, and all were financed through bond issues, the financial interests requiring that adequate insurance be maintained. The change in occupancy, it is felt, makes for a lessening of the fire hazard, the service men

being under strict discipline with guards alert at all times.

The Stevens and Congress hotels in Chicago have also been taken over.

Reinsures Ohio Risks in General

The Rhode Island in withdrawing from Ohio reinsured its business in that state with General of Seattle.

Paul C. Stemm has been reelected president of the Elkhart (Ind.) Insurance Board. Theodore Reitz was elected vice-president and William Walsh secretary.

EVERY DAY — MAKE FIRE PREVENTION YOUR PERSONAL WAR WORK



CAN IT BE REPLACED *NOW?*

Every intelligent home-owner wants fire insurance. He knows it will finance a new house or repairs after a fire. You should sell fire insurance just as hard as you can—fire insurance plus such proper endorsements as rent and extended cover.

But—right now—pay special attention to fire prevention too! You'll be doing a real public service.

An owner who collects insurance after a total loss has money enough to rebuild—*sometime*. *Perhaps not today*—because materials and workmen are scarce. And, if your town is as crowded as many others, neither you nor your client nor your city fathers want to increase the already serious housing problem.

What can you do about it? You can make inspections—recommend elimination of fire hazards and the installation of fire-fighting equipment. You can organize your fellow agents to work with the Fire Department—and for the general reduction of fire losses on all types of property. You can make fire prevention your *personal* war work. Our fieldmen will be glad to help you.

This country of ours should not waste anything today. Fire destruction of buildings and contents means waste. Every time you discover some danger spot and *cure it*, you make a grand contribution to the whole National effort.

And, you can be proud of that job!

Agricultural
Insurance Company,
of Watertown, N.Y.



Empire State
Insurance Company,
of Watertown, N.Y.

Every Type of Property Insurance for Industry and the Home.

Mo. Hearings Open in New York for Two Weeks

The Missouri fire rate case hearings being conducted by Attorney-general McKittrick opened up in New York Tuesday, in the offices of the Insurance Executives Association.

Among the first witnesses on the stand are Wilfred Kurth, chairman of Home; F. W. Koeckert, U. S. manager of Commercial Union, and J. Ross Moore, manager National Automobile Underwriters Association.

Question Koeckert, Kurth

For six hours Mr. Koeckert, the only witness at Tuesday's session, was questioned by McKittrick on testimony developed at the hearings in the federal court case two years ago. He was asked as to his membership in the Western Underwriters Association, Western Factory Association, Subscribers Actuarial Committee, Oil Association, Interstate Underwriters Board, and the National Automobile Underwriters Association.

He was queried closely as to his acquaintance with the late C. R. Street, and as to his knowledge of the latter's activities in bringing about the compromise in the Missouri rate controversy. He was asked to identify various checks given by his companies as their contribution toward the expense of handling the rate case, and as to what percentage of the expense, if he knew, went for attorney's fees. Of this he had no knowledge.

Mr. Koeckert was recalled Wednesday. He was asked whether he had read articles on the compromise agreement that appeared in the trade press. To this line of questioning company counsel strongly objected, declaring it humanly impossible for any individual to recall after a lapse of seven years whether he had or had not read any particular article. Mr. Kurth will follow Mr. Koeckert on the stand.

Questions Cover Old Ground

The questions and answers were largely a repetition of those heard at the hearings two years ago.

Other witnesses scheduled to appear in New York are W. H. Ems and Louis Moerkel, Continental; Harry Halprin, Royal Exchange; T. J. Irvine, Phoenix Assurance; F. W. Maasen, London Assurance, and Frank B. Martin, former United States manager Yorkshire. Other company executives in New York City, Philadelphia, Hartford and other eastern centers will be heard in the next two weeks. Commissioner Windsor has indicated he will conclude hearings in the east not later than Aug. 1.

D. A. Murphy and F. L. Williams are acting as counsel for the insurance interests. H. H. Berger, senior counsel for the carriers, is suffering from a severe cold and is not expected to appear at the New York hearings for several days.

A two-week session of the hearings was just completed in Chicago. W. R. Reilly, vice-president of Dubuque Fire & Marine was the last witness to appear there. McKittrick has indicated he may be able to finish with eastern witnesses, of whom there are around 35, by Aug. 1, and that this will complete direct examination in the case. Then there will be a considerable time taken up by cross examinations of the principal witnesses by company attorneys. Following that, attorneys and Commissioner Windsor, who represents the Missouri supreme court, will digest the record, which will be about 25,000 pages, and compile their statements of facts.

The Missouri supreme court has approved payment of \$7,500 on account of Commissioner Windsor, and \$11,764 to the court reporters in the hearings. Both the state and fire companies posted \$7,500 bond with the court to guarantee payment of these and other costs in the case.

Women's President Is a Prominent Agent

Mrs. Ada V. Doyle of Caldwell, N. J., the new president of the National Association of Insurance Women, is head of the James A. Doyle Agency of her city at 453 Bloomfield avenue. Her husband died in June, 1932. He had been very active in both the real estate and insurance business and he took a prominent part in civic affairs. He was president of the Kiwanis Club and was instrumental in forming the Boy Scouts troop.



Ada V. Doyle

Therefore Mrs. Doyle took up the work where he left off. She had not been in the business before her husband's death so she was obliged to make a study of both real estate and insurance. At present Mrs. Doyle is secretary of the Caldwell Real Estate Board. At the invitation of one of the local agents she became a member of the insurance agents association in her county. This was the first step toward organization work for insurance women.

At the state convention she met Mrs. Christine B. Nolan of Paterson, who organized the New Jersey state group. Mrs. Doyle followed her as the second president. She held this office for two years. She has been president of the Caldwell chamber of commerce for two years and is now a director. She has always been interested in public relations and in her job as educational chairman of the National Association of Insurance Women for two years she did very constructive work.

New Rationing Plan Cuts Basic Automobile Use to 2,880 Miles Per Year

The Office of Price Administration has issued its "permanent" gasoline rationing plan for the eastern seaboard to replace the emergency card plan which expires July 22. Every type of gasoline user except aircraft using high octane aviation gasoline is being brought under rationing. Trucks, buses, taxis and occupational boats will be rationed for the first time, and "all unnecessary mileage will be squeezed out of private passenger car motoring."

Car pooling becomes a requirement, a ceiling is placed on ordinary occupational driving, the "X," or unlimited use class, is eliminated, and the sale of gasoline to filling stations will be stringently regulated.

While the regulations do not stipulate the value of coupons, the OPA has set a value of four gallons for each coupon in the "A," "B" and "C" books; 1.5 gallons for each "D" coupon; five gallons for the "S" book coupons, and one and five gallons respectively for the non-highway "E" and "R" coupons to be used for boats and other non-highway purposes. The values are subject to change at any time.

The basic "A" and "D" books contain a year's supply of 48 coupons, apportioned in two-month periods. The "D" book is for motorcycles. "B" and "C" are for occupational driving and may be issued for periods as small as two months. Trucks, buses, ambulances, hearses, taxis, etc., will be issued "S" books.

The basic "A" ration will give the ordinary passenger car driver 2,880 miles of driving per year on a 15-mile per gallon basis.

There are certain purposes for which persons may obtain special rations, for obtaining medical treatment, to carry persons to and from the polls and for use by political candidates, etc.

Increase your accident sales with ideas from the Accident & Health Review, \$2 a year, 175 W. Jackson Blvd., Chicago.

Companies Lose Mo. Case Appeal

ST. LOUIS—The United States circuit court of appeals has upheld the decree of the special three-judge federal court at Kansas City which set aside the compromise settlement of the Missouri rate case in 1935. The lower court held that the 80 percent of approximately \$10,000,000 of impounded premiums which was awarded the companies in the settlement should be returned to policyholders along with the 20 percent already paid them under that compromise.

The appellate court stated in its opinion that the companies are not entitled to ask for a change in the lower court's decree because they had not "come into court with clean hands, because of their relation to or connection with the fraud confessedly committed upon the court in securing the distribution of the impounded funds by the earlier decree."

The appeal was argued before the court some weeks ago at St. Paul. This leaves the companies the U. S. Supreme Court as the last court of appeal.

The Accident & Health Bulletins help get business. For information write 420 E. Fourth St., Cincinnati.

Convention Dates

July 21-22, Ohio Fire Underwriters Association, Cedar Point, O., Breakers Hotel.

Aug. 23-25, Idaho Agents, Owyhee Hotel, Boise.

August 24-26, Insurance Section, American Bar Association, Detroit, Hotel Statler.

Aug. 24-25, Utah agents, Ogden, Hotel Ben Lomond.

Aug. 25-27, Blue Goose Grand Nest, Toronto, Royal York Hotel.

Aug. 31-Sept. 2, International Association of Insurance Counsel, White Sulphur Springs, W. Va., Greenbrier Hotel.

Sept. 3-5, Michigan Agents, Mackinac Island, Grand Hotel.

Sept. 14-15, International Claim Association, Chicago, Edgewater Beach Hotel.

Sept. 14-15, Montana local agents, Great Falls.

Sept. 16-17, Iowa Association of Insurance Agents, Council Bluffs, Chieftain hotel.

Sept. 17, New Jersey agents, Trenton, Stacey-Trent Hotel.

Sept. 17-18, Wisconsin Association of Insurance Agents, Milwaukee, Hotel Schroeder.

Aug. 17-18, West Virginia agents, White Sulphur Springs, Greenbrier Hotel.

Sept. 18-19, Wyoming local agents, Thermopolis, Carter Hotel.

Sept. 21-22, Insurance Advertising Conference, New York City, Hotel Roosevelt.

Oct. 12-14, National Association of Mutual Insurance Agents, New York City, New Yorker Hotel.

AROUND THE CLOCK WITH PHOENIX-LONDON



PHOENIX-LONDON representatives are proud to comply with the desire of the government to ease the burden on the nation's transportation facilities. By careful planning and proper advance notice of visits, fieldmen, engineers and payroll auditors are eliminating every mile of non-essential travel.

By thorough schooling in war-time insurance requirements, PHOENIX-LONDON representatives offer up-to-the-minute service to agents and policyholders without waste of time.

Phoenix-London

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PHOENIX ASSURANCE CO., Ltd.
IMPERIAL ASSURANCE COMPANY
COLUMBIA INSURANCE COMPANY
UNITED FIREMEN'S INSURANCE CO.
THE UNION MARINE & GENERAL INSURANCE CO., Ltd.
LONDON GUARANTEE & ACCIDENT CO., Ltd.
PHOENIX INDEMNITY COMPANY

Silver Anniversary



CHARLES J. MONTGOMERY

C. J. Montgomery, Rock Island, Ill., local agent celebrated his 25th anniversary in the business July 9, with a party at the Rock Island Arsenal Golf Club. There was a luncheon, 50 attending golf and a dinner. Among those present were field men, and other company men represented at the office, local agents, members of his family and friends. G. L. Hubbard of the Boston acted as master of ceremonies at the dinner. Among those introduced were W. Herbert Stewart of Chicago; J. J. Beattie, Rockford; Freeman Read of Chicago, manager Car & General; W. H. Jennings, P. B. Hosmer, Chicago; Earl Gibbs, manager western department of the Boston, J. D. LaTeer, Agricultural. Mrs. Montgomery was presented as well as Mrs. George Herin, his sister, and Helen M. Stombs his secretary.

Golf prizes were awarded to Harold Williams of the American, Mr. Jennings and E. R. Hurd, Chicago manager of Home. There were a number of bouquets presented to Mr. Montgomery. He was given a traveling bag from the field men and an electric desk clock from the Rock Island local agents.

Move Against Lloyds Is Made in Tennessee

NASHVILLE—The insurance and legal departments of Tennessee are hot after London Lloyds for the payment of the 2½ percent premium tax on business written the past six years. Attorneys seeking collection include Charles L. Cornelius of Cornelius, McKinney & Gilbert.

Mr. Cornelius and the attorney-general developed evidence of a sale of coverage by Lloyds amounting to \$1,800,000 on the lumber business of E. L. Bruce Co. at Memphis. N. Henry Simpson, with the insurance department of the Fidelity Corporation, Little Rock, was revealed as the broker who sold the insurance to Bruce.

This insurance was brought to public attention when the Bruce business had a fire with loss placed at \$1,600,000, part or all of which has already been paid.

Mr. Simpson was brought to Nashville for a hearing before Commissioner McCormack. At this hearing, it is reported by Mr. Cornelius, Mr. Simpson stated that no premium had been paid on the E. L. Bruce insurance, although part or all of the losses have been paid. His explanation is said to have been that the companies underwriting the risk had not "figured out" the required

rate. A second hearing, set for June 29, was indefinitely postponed when Mr. Simpson developed appendicitis and was operated on.

Upon learning that E. L. Bruce owed a considerable premium sum, attorneys for the department, according to Mr. Cornelius, had an attachment issued against the Memphis firm in the sum of \$900 which represented a judgment already secured against Lloyds for unpaid premium tax on taxicab liability sold to a Nashville cab company. Action on this apparently must wait upon the "figuring out" by somebody of the rate on the Bruce coverage, already realized upon in part at least, to deter-

mine the premium fund in the Memphis firm's hands.

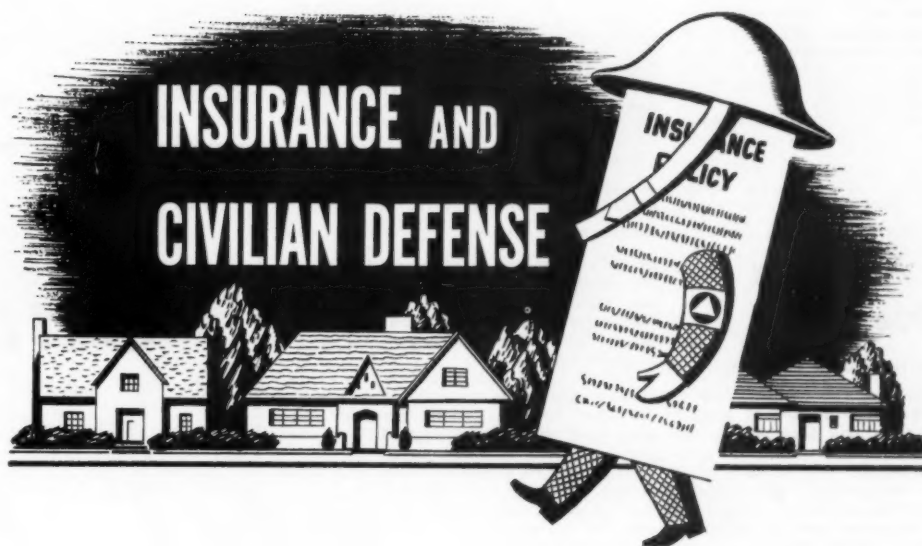
Demands of the Tennessee department upon Lloyds of London, to qualify in Tennessee and pay the state tax, it is reported, have met with the claim that there is no way to determine the amount of business done in the state. It is said that Lloyds admitted to a plan of attaching red or blue slips to daily reports of coverage sold to identify business done in Illinois and Kentucky where they are qualified to do business. Mr. Cornelius suggests use of green or orange slips on reports to identify Tennessee business.

The Tennessee department, it is said,

stands ready to grant "limited qualification" to Lloyds if they will meet the conditions imposed by law upon all foreign companies doing business in the state.

Industrial Directory Out

Fred J. Hatch, 5054 Winthrop avenue, Chicago, has published the 14th issue of the "Directory of Industrial Physicians & Surgeons." This includes Illinois, Indiana, Iowa and Wisconsin. Those listed are recognized as specialists in industrial medical work. He contributes a directory without charge to those requiring the services of industrial doctors.



LOSS caused by fire, explosion, lawsuit—those everyday hazards that threaten a man's purse and possessions—should not be overlooked now because of the larger and more spectacular war picture. In the interests of national security, these risks and many others must be insured today just as in peace time. You can contribute to over-all civilian defense by keeping this in mind . . . by writing policies that will—properly and adequately—cover the present-day needs of your clients . . . and by placing their risks in a strong, dependable company—one of Fireman's Fund Group.



Fire . Automobile . Marine

Casualty . Fidelity . Surety

FIREMAN'S FUND GROUP
Fireman's Fund Insurance Company—Occidental Insurance Company
Home Fire & Marine Insurance Company
Fireman's Fund Indemnity Company—Occidental Indemnity Company

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COMMISSIONERS' COMMITTEES

The National Association of Insurance Commissioners has announced the appointment of the standing committees to serve the ensuing year:

Casualty and Surety: Rouillard, N. H., chairman; Scheufler, Mo., vice-chairman; Gontrum, Md., Goodpaster, Ky.; Gibbs, Tex.; Blackall, Conn.; Gough, N. J.; Jenifer, Idaho; Sims, W. Va.; Benjamin, Jr., S. C.; Kavanaugh, Colo.; Gremillion, La.; Graves, Ark.

Fire and Marine: Bowles, Va., chairman; Boney, N. C., vice-chairman; Hall, Tex.; Jordan, D. C.; Sims, W. Va.; McCormack, Tenn.; Julian, Ala.; Duel, Wis.; Pink, N. Y.; Blackall, Conn.; Scheufler, Mo.; Graves, Ark.; Kavanaugh, Colo.; Carroll, R. I.; Viehmann, Ind.; Hobbs, Kan.

Workmen's Compensation: Duel, Wis., chairman; Goodpaster, Ky., vice-chairman; Holmes, Mont.; Erickson, N. D.; Taggart, Pa.; Benjamin, S. C.; Cole, Vt.; Gibbs, Tex.; Larson, Fla.; Apodaca, N. M.

Committee to Investigate Uniform Policy Automobile Finance: Boney, N. C., chairman; McCormack, Tenn., vice-chairman; MacDonald, Wyo.; Lloyd, Ohio.

Accident and Health: McCormack, Tenn., chairman; Viehmann, Ind., vice-chairman; Burt, S. D.; Caminetti, Cal.; Berry, Mich.; Fraizer, Neb.; Jordan, D. C.; Boney, N. C.; and Taggart, Pa.

Blanks: Robinson, Ohio, chairman; Coulbourn, Va., vice-chairman; Hooker, Conn.; Haffner, Ill.; Westbrook, Ind.; Knudsen, Iowa; Rooks, Ky.; O'Connell, Mass.; Dupenbrock, Mo.; Guertin, N. J.; Collins, N. Y.; Harris, Tenn.; McAteer,

Wash.; McCann, Fla.; Thatcher, Utah; Berger, Pa.; Wilcox, Kan.; McGovern, R. I.; Phillippi, Ala.; Lange, Wis.; Mangold, Mich.; Apodaca, N. M.; Gammill, Tex.

Examinations: Read, Okla., chairman; Julian, Ala., vice-chairman; Pink, N. Y.; Fischer, Iowa; Caminetti, Cal.; Erickson, N. D.; Gough, N. J.; Blackall, Conn.; Bowles, Va.; McCormack, Tenn.; Jones, Ill.; Johnson, Minn.; Kavanaugh, Colo.; Thompson, Ore.; MacDonald, Wyo.

Group Hospitalization and Medical Service: Caminetti, Cal., chairman; Swain, Del., vice-chairman; Goodpaster, Ky.; Rummage, Ariz.; Gremillion, La.; Holmes, Mont.; Benjamin, S. C.; Thompson, Ore.; Jenifer, Ida.; Berry, Mich.

Laws and Legislation: Fraizer, Neb., chairman; Thompson, Ore., vice-chairman; Pink, N. Y.; Burt, S. D.; Kavanaugh, Colo.; MacDonald, Wyo.; Rouillard, N. H.; Cole, Vt.; Jordan, D. C.; Perkins, Me.

Social Security: Swain, Del., chairman; Gremillion, La., vice-chairman; Sims, W. Va.; Carroll, R. I.

Taxation: Holmes, Mont., chairman; Gontrum, Md., vice-chairman; Kavanaugh, Colo.; Larson, Fla.; Pink, N. Y.; Thompson, Minn.; Jones, Ill.; Parker, Ga.; Burt, S. D.; Schmidt, Nev.; Hall, Tex.; Carlson, Utah.

Valuation of Securities Other Than Real Estate: Pink, N. Y., chairman; Gough, N. J., vice-chairman; Fischer, Iowa; Harrington, Mass.; Boney, N. C.; Blackall, Conn.; Taggart, Pa.; Caminetti, Cal.; Sullivan, Wash.; Thompson, Ore.; Jones, Ill.; Gontrum, Md.; Lockhart, Tex.; Fraizer, Neb.; Graves, Ark.

property not related to the war effort. The limits on personal jewelry and furs of \$5,000 on any article and \$10,000 on any interest remain, he said, and the 75 cent rate applies. Since the \$10,000 limit applies to one interest, there seems to be no reason why a husband and wife owning this property separately cannot insure their own jewelry and furs up to this limit. Insurance on contents covers jewelry and furs up to \$1,000 in the aggregate without additional charge, but more coverage can be obtained at this very high rate and subject to these limits.

Commercial Jewelry and Furs

Commercial jewelry and furs, however, may now be insured without limit, at the proper contents rate. The limitations and the higher rate still apply to works of art, statuary, stamp and coin collections and other property in this class, however.

The Chicago committee on interpretation of WDC rules held its first meeting Tuesday morning. About 70 questions had been submitted in writing. The committee will not distribute the answers that it gives but will merely reply to each individual inquiry. Mr. Conick sat with the committee.

Harry J. Amonette, state agent at Denver for St. Paul Fire & Marine, was

Late Casualty News

Milton with N. E. Casualty

William H. Milton has joined New England Casualty as special agent to take the place of George T. O'Donnell, who is now in the army. Mr. Milton who has had several years casualty experience, will have headquarters at the head office in Springfield, Mass., and will handle New England territory except Connecticut.

Now Shelby Mutual Casualty

The title of Shelby Mutual Plate Glass and Casualty has now been abbreviated and it is Shelby Mutual Casualty. The company was originally known as Shelby Mutual Plate Glass and when it entered the general casualty field its title was expanded.

Shelby Mutual is now retaining for its own account the automobile physical damage coverage along with the third party lines. In the past, the physical damage business has been reinsured.

operated on this week at a Denver hospital. He has been in the care of physicians there for some time.

Conick Answers WDC Questions

(CONTINUED FROM PAGE 3)

simply enough description so that a car can be identified in case of loss.

Mr. Conick also said that so far the insurance men have been unable to convince War Damage Corporation that all private passenger automobiles should be covered at the 10 cent rate. The present rules are not in harmony with established automobile insurance practice, but there is nothing ambiguous about them, he said. The 10 cent rate applies only to cars insured with contents of farms and dwellings for not more than five families. For any other assured, the rate is 15 cents with 100 percent coinsurance. They may be covered at 25 cents with 50 percent coinsurance, but most people can estimate the value of their cars correctly and are willing to carry full insurance to value, so the 15 cent rate might as well be used.

The question was raised whether damage to insured property in a city or town caused by a dam being burst by enemy attack would be covered as a "direct" loss. Mr. Conick said this question has been raised a number of times in the east and is a good example of the type of hypothetical question which WDC will not answer.

Asked whether a grain elevator should be rated as a warehouse or a manufacturing plant, Mr. Conick said processing risks are being considered by WDC now. In this class he placed risks which use machinery but which do not actually manufacture goods, such as granaries, cleaning and dyeing establishments, etc. Under the present WDC rules, they seem to take manufacturing rates as long as any machinery is used.

Mr. Conick explained and clarified the puzzling question of coverage for mortgagees in the light of recent rulings. A mortgagee now has two options. If the property is of such character that the bulk of the value is in the land, so that the interest of the mortgagee is greater than the value of the buildings, the mortgagee may insure for the value of the buildings, applying coinsurance to this value. On the other hand, if the value of the building or buildings exceeds the mort-

gagee's interest, he may insure up to his interest, with the coinsurance and pro rata clauses waived. In the latter case, the rules require that insurance be carried to 100 percent of the mortgagee's interest.

Asked about the situation of a loan correspondent for several life companies or other financial institutions, Mr. Conick said that a correspondent cannot purchase war damage insurance for a number of mortgagees under the same policy. If he is authorized to buy it by one or more mortgagees, he may do so, but the interest of each mortgagee must be covered separately.

Mr. Conick said that fire insurance men have encountered considerable difficulty from the fact that the war damage policy is an "interest policy." In this respect it is like the New England standard fire policy and the 1943 New York fire policy, but unlike the two other New York forms and the other fire policies in common use. There is no "unconditional and sole ownership" clause in the war damage policy and any one having an interest in property may insure to the extent of that interest, or several interested parties may insure as their interest may appear. He brought this out in answering several questions, pointing out that a party holding an undivided fractional interest may insure his interest separately or all parties may be joined.

Use of Property Controls

Answering a question about property of municipalities, Mr. Conick said a recent bulletin of WDC emphasizes that use, not ownership, of property is the determining rate factor. Several government agencies, he said, tried to get mercantiles, factories and other property which they control rated as public institutions, but failed.

There were several questions about the necessity of insuring incombustible property and Mr. Conick pointed out that there is no provision for excluding any property from contents coverage. The assured must insure all or none, he said. Likewise, there is no exclusion of building foundations, which should be remembered in determining coinsurance requirements. To determine whether a particular property is fireproof, Mr. Conick said he thought inspection bureau rules could be safely followed.

The revised rules on jewelry and furs came in for considerable discussion and Mr. Conick emphasized that there is no disposition in Washington to provide much protection for "luxury" items and

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Curtis Pierce Is F. I. A. President

(CONTINUED FROM PAGE 1)

partment of the factory mutual companies of Boston. Following employment in the survey and plan departments and laboratories, he traveled widely for the companies as an inspecting engineer.

In 1911 he joined the engineering department of America Fore, and was soon assigned to supervise engineering work in the New England states. He was made chief engineer in 1918, secretary in 1921, and vice-president in 1924. During the first war he served on the War Industries Board as engineer in the fire prevention division.

Mr. Pierce is a director of the National Fire Protection Association, a member of the National Board committees on fire prevention and engineering standards and on public relations, director of the Insurance Institute of America, and holds several other positions.

Under Mr. Pierce's direction, the Factory Insurance Association, Western Factory and Pacific Factory now operating independently, will operate as regional offices under the direction of advisory committees, subject to general policies approved by the board of directors.

Mr. Pierce will retire from his duties with America Fore, but will continue as manager of the National Bureau for Industrial Protection in Washington.

Apparently the merger of the three factory associations has not yet been consummated. A new constitution for the F.I.A. was drawn, but there remains the task of getting the new participations arranged.

Royal's Head Office Report Shows Strength

(CONTINUED FROM PAGE 2)

£6,579,577 as against £5,970,064 for the previous year. Losses paid and outstanding for 1941 reached a total of £3,022,603, with an underwriting profit of £528,295, or 8.03 percent, carried to profit and loss account. Commenting on United States results Mr. Barnes made the following comment: "In the United States, Royal Indemnity has again produced satisfactory results coupled with a considerable increase in premium. The year has been a very difficult one and our thanks are once more due to the president, F. J. O'Neill, and to his assistants."

Marine department activities were reviewed at some length. "This branch of our operations has necessarily engaged our attention during the year to a much greater extent than is normally the case. With our far-flung interest, our marine insurance activities are linked with commerce nearly all over the world. In these circumstances, it is not difficult to understand that the conduct of marine insurance in wartime is beset with a multitude of problems.

Marine Losses Higher

"There has been an increase of marine losses, which was inevitable having regard to the greatly increased hazards of navigation due to necessary wartime measures. Much thought has had to be given to this matter and there has been gratifying cooperation among underwriters in making necessary adjustments in rates to meet a constantly changing situation."

Mr. Barnes paid tribute to over 560 of the home staff serving with the armed forces. "A cordial acknowledgement is also due," he added, "to those men and women who remain behind to carry on. There has been no slackening of activity, our accounts are sufficient evidence of that, and, in addition, there have been many special duties due to the war, not the least of which is the handling of the government war risks schemes. All this

has been capably and willingly shouldered by a much depleted staff with the help of the temporary appointments we have been able to make. We thank them all for their services."

L. & L. & G. Results Given

At the annual general meeting of Liverpool & London & Globe it was reported that total premiums for fire, accident and marine departments totalled £10,009,347 as compared with £9,318,899 for the previous year, an increase of £690,448 and the total underwriting result amounted to £750,784 as against £616,458 in 1940.

Accident Department

Premiums for 1941 in the accident department showed a slight increase over the previous year, a total of £4,928,422 as against £4,606,441 for 1940. A total of £412,333 or 8.37 percent was carried to underwriting profit.

Alluding to casualty results in the United States, Mr. Barnes said: "The Globe Indemnity again upheld its leading position in the U. S. A., and our best thanks are once more due to Kenneth Spencer and his colleagues for the excellent results produced in a year of changing conditions during which American industry has moved more and more on to a wartime footing. Auto-

mobile business continued to be difficult; deaths from road accidents showed a substantial rise whilst in connection with workmen's compensation business increased activity was reflected in an upward movement in the number of industrial accidents. Last year deaths from accidental causes in the United States, quite apart from war deaths, reached 100,000. A considerable proportion of these carried legal rights to compensation, but it should not be overlooked that some 40 percent of all fatal accidents both in the U. S. A. and in this country arise from miscellaneous causes for which the only protection available is that effected voluntarily with insurance companies, an interesting sidelight on the value of casualty insurance under modern conditions."

David Price on Part Time Duty

David J. Price of Washington, associated with the Department of Agriculture in the U. S. Bureau of Agricultural Chemistry and Engineering, who is president of the National Fire Protection Association, has been ill since the annual meeting at Atlantic City with a partial paralysis of one eye. He is now definitely on the mend and has returned to his office for part-time duty. It will be some time before he can resume full responsibilities.

Expect Decision as to N. A. I. A. Convention to Be Made Next Week

NEW YORK—Despite present day uncertainties the administration of the National Association of Insurance Agents is proceeding on the assumption that the annual meeting will be held this year, and probably in Chicago. It was first thought that the Stevens Hotel would be chosen as headquarters, but the army is taking over that hotel as of Aug. 1. The executive committee, at its meeting here next week will probably make a final decision.

Bill for War Cover Advances in Canada

The Canadian House of Commons has passed the bill to create a system of war risk insurance and appropriated an initial sum of \$5,000,000 for the purpose. Free government insurance is to be provided for private residences up to \$2,000 and on household effects up to \$400 for each member of the household with a maximum of \$1,200. No claim of less than \$25 will be considered.



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NEWS OF FIELD MEN

Holland New Head of La. Blue Goose

H. M. Holland, Shreveport, special agent Hartford Fire, was elected most loyal gander of the Louisiana Blue Goose at the annual meeting in New Orleans. He succeeds Louis Vauthier, agency superintendent of Godchaux & Mayer, New Orleans. H. F. Foster, Automobile, is supervisor; E. T. Miazza, U. S. army, custodian; Alvin Shepherd, general agent, guardian; L. P. Ducourneau, Corroon & Reynolds, keeper, and Jules Simoneaux, Steckler general agency, welder. With the exception of Mr. Holland, all are from New Orleans.

About 60 were in attendance. Seven candidates were initiated by Theo. Hickey and his aides. Membership is now 153, a slight increase over last year. Fourteen members are in the armed services and the pond will send each a lighter suitably engraved.

Mr. Vauthier was complimented on his administration and presented a P. M. L. G. pin. Mr. Farrell, who as honker runs the very readable pond paper, "La Honker," was presented a second P. M. L. G. pin, having lost the original when his home was burglarized. Tribute was paid to the late H. B. Edwards, state agent of Home, in a memorial delivered by Ralph M. Pons, vice-president of Godchaux & Mayer.

The grand nest was represented by Jesse White, Hartford Fire, Jackson, Miss., deputy most loyal grand gander. Delegates to the grand nest meeting are Mr. Vauthier and Mr. Holland; alternate, Mr. Foster.

Slagle Is K. C. Pond Head

An article in last week's issue on the resignation of C. W. Bean, Kansas state agent of America Fore, from the Heart of America Pond of the Blue Goose,

Linnell Succeeds Law as Grand Custodian



T. G. LINNELL

At a meeting of the Minnesota Blue Goose, following the recent death of Louis L. Law, grand custodian of the grand nest, T. G. Linnell, Minneapolis general agent, was selected from a number of members considered for appointment to fill the vacancy in the post of grand custodian. Most Loyal Grand Gander C. J. Malcolm will make the appointment for the unexpired term, and Mr. Linnell will be a candidate for advancement to grand supervisor at the grand nest meeting in Toronto, Aug. 25-27.

stated that Walter Scott, Jr., of Home of New York was most loyal gander. Mr. Scott is welder and Fred S. Slagle of Automobile is now most loyal gander. Mr. Bean sent a copy of his letter of resignation to THE NATIONAL UNDERWRITER at the time of his resignation. His action was taken in protest at holding a grand nest meeting under war conditions.

Nuckles to Army: Thomas Retires; Gritton in Kan.-Mo. for Norwich Union

Rearrangement of the Missouri and Kansas field staff of Norwich Union has been completed. Leave of absence has been granted to State Agent T. O. Nuckles, Jr., of Missouri to join the armed forces and State Agent J. A. Thomas of Kansas is retiring for the duration. Chester F. Gritton will serve as state agent in Kansas and associate state agent in Missouri. A graduate of Northwestern University school of insurance, he has had local agency, home office and field experience. His headquarters will be in the National Fidelity building, Kansas City.

Mr. Thomas, having reached retirement age, his request that he be relieved from further duty was acceded to by the management, proper provision being made for his future.

In addition to Norwich Union Fire and Eagle Fire of New York, Mr. Gritton will supervise the interests of Norwich Union Indemnity in Missouri. The casualty company does not operate in Kansas.

Minnesota Pond Reconsiders 1944 Grant Nest Plans in View of Law's Death

MINNEAPOLIS—A special meeting of the Minnesota Blue Goose was held here to consider what action will be necessary on plans for holding the grand nest meeting in Minneapolis in 1944, following the death of Louis L. Law, grand custodian, who would have been official host in 1944.

No announcement has been made locally of a successor to Mr. Law as state agent of the London Assurance and the Manhattan Fire. Mr. Law's death will make necessary the appointment of another instructor in insurance at the University of Minnesota. He had lectured there in the extension department for several years.

North Dakota Field Organizations Hold Annual Meetings

FARGO, N. D.—At the annual meeting of the North Dakota Underwriters Association the following officers were elected: President, O. A. Schollander, St. Paul Fire & Marine; vice-president, R. J. Klinkenborg, Norwich Union Fire; secretary, C. H. Christensen, Great American.

The North Dakota State Fire Prevention Association annual meeting elected the following: President, George D. Merrill, Hanover Fire; vice-president, Ray B. Swanson, Home; secretary, J. M. Kovacs, Royal-Liverpool.

Sun Gives Dulaney Higher Title; Advances Singleton

In recognition of 36 years of faithful, loyal and efficient service the title of J. C. Dulaney of Oklahoma City, state agent in Oklahoma, Kansas and

Have you seen the **Insurance Buyers' Digest**? Leading agents are mailing it out every month to stimulate business. Write The National Underwriter for sample.

Arkansas for Sun, has been changed to that of executive state agent. At the same time in order to relieve him of the hardships of traveling, he will devote most of his time to supervisory duties at state agency headquarters.

L. H. Singleton, who has been operating as special agent, is promoted to state agent. Russell H. White continues as special agent.

Burlingame at Ohio Field Outing

The annual outing of the Ohio W. U. A. and Bureau field clubs at Cedar Point July 21-22 will be informal in character. Wednesday morning a business session will be held. In the afternoon the men will play golf at the Plumbrook Country Club and the women will play bridge at Cedar Point. A dinner will be held in the evening, with J. H. Burlingame of Chicago, assistant manager of the Western Adjustment, as principal speaker. It is expected that a number of company officials will be present. H. P. Winter, America Fore, is president of the W. U. A. field club and Fred Guck of the Firemen's group is president of the Bureau club.

Career of Blue Goose Candidate

S. L. Sterling, who is a candidate for grand keeper of the Blue Goose at the annual meeting, conducts an adjustment

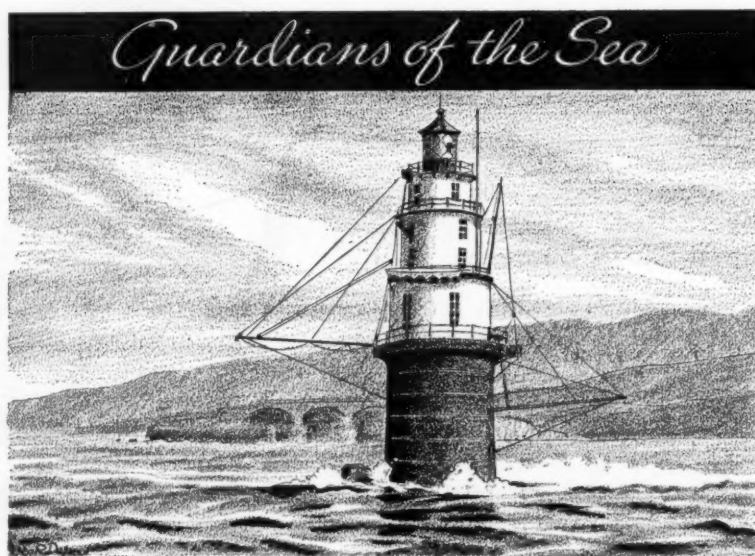
office of his own in Winnipeg under the name of S. L. Sterling & Co. He was born in Waterloo, Ont., in 1892 and prior to the war was engaged in the banking business. After the war he started in the adjustment business with the Manitoba Adjustment Bureau which was later formed into the adjustment agency of Brewster & Cross. He became a member of that firm in 1929 and in 1935 opened his own office.

He was most loyal gander of the Manitoba Blue Goose in 1930 and at present is chairman of the educational committee of the grand nest.

Mr. Sterling is the second Canadian whose candidacy for the office has been announced. The other is E. J. Beauvais of the Montreal Securities Corporation.

Field Men "Pool" Transportation

NASHVILLE, TENN.—Both fire and casualty special agents with headquarters in Nashville, according to Hillyard Paschal, Royal-Liverpool, recently elected president of the Tennessee Fire Underwriters Association, are successfully "pooling" transportation and really like it. A field man, due to go to certain points, by telephone contacts others with interests in the same section. The result is usually two and sometimes three and four men using the same car



MILE ROCKS LIGHTHOUSE, CALIFORNIA

Mile Rocks Lighthouse, half a mile off Landsend in the Golden Gate, California, was completed in 1906, after considerable difficulty caused by heavy seas and strong currents occurring at this point. The rock upon which the light tower is built measured only 40 by 30 feet at high water. The base of the tower is a large block of concrete protected by steel plating. Steel and concrete in the foundation alone weighed

1,500 tons. The superstructure is of steel, and houses the fog signal and keepers' quarters, with the lantern above. It was on this rock that the steamer Rio Janeiro was wrecked shortly before the building of the lighthouse.

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and saving a corresponding amount of tire mileage for each.

Mr. Paschal says he has cut his own automobile mileage more than 50 percent, largely by abandoning all except absolutely essential trips.

Penn with Caledonian in Wis.

Caledonian has appointed Victor A. Penn as Wisconsin state agent, with headquarters in Milwaukee.

Mr. Penn began his career in Racine as a local agent. His first company affiliation was with National Fire & Marine. He was later state agent for Dearborn National.

Turpin with Steckler in Miss.

George S. Turpin has been appointed special agent for Mississippi by the Henry A. Steckler general agency of New Orleans. Mr. Turpin, a graduate of University of Mississippi, has had 12 years' experience as a local agent. He will have his headquarters at Jackson.

New W. Va. Blue Goose Officers

New officers of the West Virginia Blue Goose, elected at the annual meeting at Charleston, are: Paul E. Briggs, Commercial Union, most loyal gander; James E. Tetlow, Jr., Fireman's Fund, supervisor; Clark Buckingham, West Virginia Inspection Bureau, custodian; Ed. W. Chester, Crum & Forster, welder; H. Gene MacShane, Aetna Fire, keeper, and C. E. Meredith, Wyckoff Adjustment Co., guardian.

Indiana Blue Goose Chairmen

There was a transposition of chairmen in the announcements of Indiana Blue Goose appointments last week. John R. Munson, Home, is chairman of the entertainment committee, and J. W. Byrne, Concordia, of the membership committee.

Dale Fisher, state coordinator for the Kansas Civilian Defense Council, talked

Hartford Fire Men to Army. Changes in Mo. and Okla.

Yale L. Gooden has been appointed special agent for eastern Missouri by Hartford Fire to replace Everett Swenson, who has been called for army service and is now in the air corps at Jefferson Barracks.

Mr. Gooden has been with Hartford for a number of years, first as underwriter in the Chicago office and later as special agent in St. Louis county. He will maintain headquarters in the Pierce building under the direction of Special Agent R. E. DeHaven.

Hartford's Oklahoma setup has been reorganized due to the fact that Special Agent George W. Barker, who handled the field work in the southern part of the state, has been commissioned in the army.

George E. Wyatt will service agencies for the eastern section of the state, H. G. Hix the central section and Coke Witt part of the western section. Mr. Witt will continue to handle farm business for the entire state. These men have headquarters in the Petroleum building, Oklahoma City.

to members of the Kansas Fire Prevention Association at Topeka. Clarence Bean, chairman of the executive committee, said the association had decided to purchase two sound films. President Ray H. Priest presided. Mr. Fisher was introduced by V. E. Herbert, secretary.

Charles A. Wendler, veteran Seattle field man, is recovering rapidly from illness which has kept him confined to the hospital for the past two weeks. He is now able to see friends.

Neil Selvig, who recently resigned as state agent of Security Fire in Minnesota to enter the government service,

COMPANIES

F. G. Breen in Home Office Post With Standard, N. J.

F. Glenn Breen has joined Standard Fire of Trenton, N. J., as superintendent of agents. He will spend most of his time in the field. After graduating from the University of Chicago, he went with Firemen's, starting in the supply room and spent three years working in various departments including casualty and inland marine. The past four years he has been traveling in eastern Pennsylvania for Milwaukee Mechanics. He is the son of F. J. Breen, president of Standard Fire.

Capital Reduction Proposed

Directors of Eagle Fire of New Jersey have recommended to stockholders that the par value of shares be reduced from \$2.50 to \$1.55. That would reduce the total capital from \$815,000 to \$505,303. The difference would be contributed to net surplus and would bring that figure to about \$513,700.

Eagle Fire recently became separated from the management of Constitution Reinsurance and discontinued writing facultative reinsurance business. It is pursuing a conservative course until such time as the management feels it advisable to undertake to rebuild its business.

Premier's Capital Doubled

Capital of Premier of California, which writes the automobile finance business of Bank of America National Trust & Savings Association, has been increased from \$100,000 to \$200,000 by payment of

has been detailed to fire prevention and safety work in Minnesota temporarily. His headquarters are at Omaha, Neb.

a 100 percent stock dividend. With its capital at the new figure it will be in a position to write fire and allied lines as well as automobile.

C. H. Gamble New President

Cecil H. Gamble has been elected president of Cincinnati Equitable Fire. He takes the place of A. Clifford Shinkle who remains, however, as a director. C. R. White takes the place of Mr. Gamble as vice-president.

Mr. Gamble who has been a director since 1929, is well known in Y.M.C.A. and other philanthropic activities.

Kentucky Agents Holding Sectional Gatherings

The Kentucky Association of Insurance Agents has scheduled sectional meetings to be held at Paducah July 20, Dawson Springs July 21, Bowling Green July 22, Lexington July 23, and Covington July 24. Field men and agents will take part. The Kentucky Fire Underwriters Association will cooperate. Meetings will start at 10 a. m. and adjourn at 3 p. m.

Topics to be discussed are designed to aid agents in handling their business during the war period, and include "The Agent in a War Time Economy," with F. W. Westervelt, Jr., assistant director, Business Development Office, New York, as discussion leader, aided by two agents and two field men.

Felix Hargrett Back at Desk

Felix Hargrett, secretary of Home, has returned to his office after three months leave of absence during which he has been doing special work for the navy in a civilian advisory capacity to the commandant of the fifth naval district.

The agencies of T. E. Redman and M. S. Davis, at Columbia, Tenn., have been merged into one to be known as Redman & Davis.

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AS SEEN FROM CHICAGO

DEVELOP AIR RAID DEFENSE

An air raid and sabotage defense organization has been developed in the Insurance Exchange at Chicago and Walter G. Frazier, assistant manager of the Insurance Exchange, has been named control director. The purpose is to develop in advance precautions and procedures to be taken in case of enemy activities and to minimize confusion in time of emergency by acquainting the Exchange tenants with what to do. Director Frazier announced the passenger elevators would be halted if any raids occur, and at night all lights extinguished except certain special lights that will not disturb a blackout. Tenants are urged in emergency to seek the 12th and adjacent floors, and stay away from windows, elevator shafts, etc., because of the danger of flying glass. The details have been worked out under supervision of R. C. Swanson, manager of the Exchange.

CHICAGO CITY NOT INSURING

Apparently neither the city of Chicago nor the county of Cook, in which it is located, will seek to secure the government war damage coverage, although the value of their properties conservatively is \$500,000,000. Both governmental units have self-insured for a great many years, and officials this week pointed out with pride by so doing had "saved a huge amount" in fire premiums.

They were evidently not much interested in the theory that was advanced that if privately operated fire insurance companies could not afford to issue war damage coverage because of the great catastrophe hazard involved, perhaps the city and county governments could not afford to self-insure this hazard.

The Chicago city-owned property, according to the last report of the administration, involves values of about \$150,000,000 on buildings and about \$180,000,000, representing cost price only, on the water plant installations and docks. This latter value, it was said, was that of only the buildings and structures. The total for Chicago alone is about \$330,000,000.

A Cook county commissioner hesitated to guess the total values of county-owned property but when asked if it were any less than that of the city owned property, said huge values were involved.

FRED SUMMER'S SUGGESTION

Fred L. Summer, local agent at 2145 East 83rd street, Chicago, brings to the attention of THE NATIONAL UNDERWRITER the problem that agents would face in the way of return commissions should the government requisition a large number of tires and automobiles. He feels that if such a step were taken, agencies would be faced over night with the necessity of paying back thousands of dollars in commissions and to many agents this would spell bankruptcy. He declares that probably 95 percent of the agencies do not maintain a return commission reserve fund and, hence, if they should be faced with an abnormal demand for return commissions, many agents would use current insurance company collections for the purpose and

this might very well lead to bankruptcy eventually.

Mr. Summer approves highly the provision in the War Damage Corporation set-up whereby the producer's commission becomes earned when the policy is written and he feels that the insurance business might very well give consideration to adopting this principle. He states that an agent devotes just as much time and effort to a policyholder that keeps his contract four months as with one that retains his contract the full year and, hence, the agent should receive his full commission unless the policy is rewritten.

CLUB FOR NAVY FATHERS

W. H. Jenkins, special agent of Standard of N. Y. in Chicago, invites fathers with sons in the navy, marines or coast guard to join the organization, Navy Fathers & Sons of the United States of America, which has headquarters at 335 North Michigan avenue, Chicago. There also is a navy mothers' club at the same address. The fee for each is only \$2 a year. Mr. Jenkins is vice-president of the fathers' club. His son, W. H., Jr., was reported missing in action on Bataan.

NEED RECRUITS FOR BOOTH

Recruits are needed for the work of conducting the aviation cadet recruiting work in the new booth in the Insurance Exchange, Chicago, Lillian L. Herring, civil coordinator, said in an appeal this week to Insurance Exchange girls to take part in the work. She is executive secretary of the Illinois Insurance Federation and Illinois Association of Insurance Agents. Girls may secure information at the booth. They will be required to devote one-half day weekly to the task. Most of the employers of girls doing this work have donated the girls' time. There are now 15 active, but 30 or more are needed.

FIRE PREMIUMS ARE REPORTED

Only a few fire companies so far have filed their net fire premium returns with the Chicago city comptroller for the fiscal year ended June 30. These filings are required for the purpose of applying the 2 percent premium tax for maintenance of the fire department. The returns so far are:

	1942	1941	1940
Lond. & Lanc...	\$146,826	\$119,272	\$124,947
Orient	137,886	114,731	103,972
Safeguard	37,706	33,055	25,644
Law, Un.&Rock	71,132	65,141	68,456
Stand. Mar. ...	13,550	23,050	26,668
Lumb's M. O.	17,908	12,337	17,551
Un. Mut. R. L.	59,956	.....	.....
Und. Ex. K. C.	3,912	.....	.....
Mt. Beacon ...	1,910	.....	.....
N. W. Mut. ...	30,424	31,756	.....
What Cheer M.	1,950	3,672	2,431

WOODBURY CALLED TO DUTY

W. A. Woodbury, who retired some time ago as cashier in the western department of the North America, has returned to duty temporarily and is helping out in war damage department in the Chicago service office.

IN U. S. WAR SERVICE

Theodore H. Wilkinson of Wilkinson-Todd Insurance Service, Cleveland, has been appointed a lieutenant in the Naval Air Corps and ordered to report at Miami Beach.

Thomas L. Spengler, Jr., son of Thomas L. Spengler, who is associated with A. J. Haltiwanger, state agent of Merchants Fire of New York in Mississippi, is in the reserve officers' school at New London, Conn., training as deck officer in the coast guard.

H. J. Wieda, cashier of the August Torpe, Jr., agency, Chicago, for the past year, and formerly with America Fore, has been inducted into the army.

B. R. Lones of the Boyle, Flagg & Seaman agency of Chicago has

been commissioned a first lieutenant of the army air forces and assigned to Miami. He has been a member of the firm, doing engineering and outside work.

P. J. McCorkell, operating as J. G. McCorkell & Son, Cedarville, O., has entered the service and has made a partnership arrangement with J. N. Creswell.

H. E. Rozelle of Delphos, O., has sold his agency to Walter H. Jauman. Mr. Rozelle has gone to war.

H. R. Burklew of Killbuck, O., having been called to the colors, has sold his agency to Raymond Close of Millersburg.

C. A. Stubbs of St. Henry, O., has purchased the agency of L. J. Fullencamp, who has gone into service.

Mrs. Elizabeth McGown of Steubenville, O., is being licensed to operate the agency of her husband, Malcolm McGown, who expects to be called into service.

F. M. B. Windle of Newark, O., has joined the armed forces. John A. DeVite is operating his agency as manager.

J. S. Ross of Newcomerstown, O., who has been inducted into the army, has transferred his agency to his father, J. C. Ross.

Archie Winning, who has been in charge of the claim office of Hartford

Accident in Des Moines, has been inducted into the army. His place has not yet been filled.

Lt. Robert O'Connor, son of Arthur J. O'Connor, vice-president of Leedom, O'Connor & Noyes Co., Milwaukee, spent a brief furlough with his parents in Milwaukee after receiving his commission. He flew from Ellington Field, Houston, Tex., where he was stationed with the U. S. army air corps. From Milwaukee he is going to Salt Lake City.

Clarence Lindberg, who has been engineer and production man for the Mill Mutuals at Los Angeles, is now connected with the plant protection department of the army air force. He is in the Alhambra area. Mr. Lindberg was at one time an engineer for Crum & Forster in the western department.

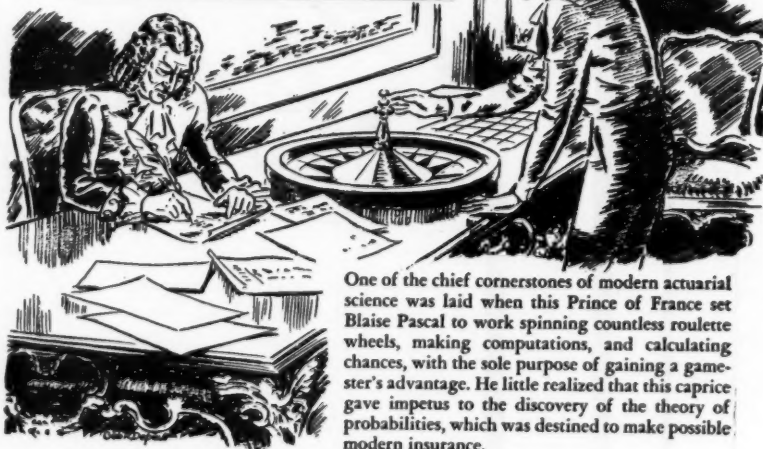
Tom von Kuster, associate manager insurance department of David C. Bell Investment Co., Minneapolis, has received a commission in the navy.

Charles J. Ford, general agent for Massachusetts Indemnity at Cleveland, has been commissioned a captain in the naval air corps. He is now stationed at Miami Beach.

Charles Luce, son of Dudley H. Luce of Lansing, Michigan state agent for Providence Washington, is an ensign in the navy. He is now at Harvard for training. He has been at the home

Highlights in Insurance History

ABOUT THE MIDDLE OF THE 17TH CENTURY A DUKE OF BURGUNDY DECIDED TO FIGURE OUT MATHEMATICALLY WHAT THE CHANCES WERE OF A NUMBER RECURRING AT ROULETTE.



One of the chief cornerstones of modern actuarial science was laid when this Prince of France set Blaise Pascal to work spinning countless roulette wheels, making computations, and calculating chances, with the sole purpose of gaining a gamester's advantage. He little realized that this caprice gave impetus to the discovery of the theory of probabilities, which was destined to make possible modern insurance.

The basic motive for the purchase of insurance is man's age-old desire to relieve himself and his family of the risk of financial set-back—whether it be by reason of death, fire or other hazards to his property. By providing adequate protection that is indi-

vidually suited to the needs of his assureds, the insurance agent renders a vital, all-important service to his fellow men! National Union and Birmingham agents are backed all the way, with modern efficient service, and friendly cooperation!

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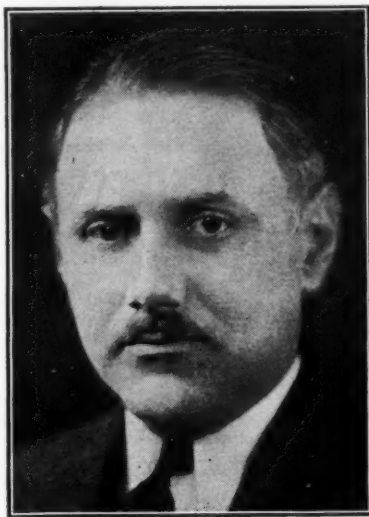
Atlanta

FERGASON PERSONNEL

166 W. Jackson Blvd., Chicago, Ill.

Prominent Cincinnati Agent Enters Army

CINCINNATI — Theodore Safford, vice-president of the A. W. Shell & Company agency, left last Saturday for Fort Hayes, Columbus, as captain in the chemical warfare division. Mr. Safford



THEODORE SAFFORD

has been a reserve officer and actively interested in chemical engineering since the first war at which time he was also in this special service of the U. S. Army.

office of Phoenix of Hartford for the past three years, being the fourth generation of the Luce family in the fire insurance business.

Joseph P. Chapman, head of the Chapman Claims Company of San Antonio, has been commissioned a captain in the air corps and is now stationed at Randolph Field in Texas. The claims organization will continue to operate in charge of C. W. Avery and George W. Henry. Mr. Chapman will be available for consultation in the evening and on Sundays as long as he is stationed at Randolph Field.

D. K. Billings, who has been with the Washington General Agency of Seattle since 1937 in charge of underwriting, has received a commission as major in the coast artillery and is on active duty at Fort Winfield Scott. His duties with the Washington General Agency have been taken over by John A. Young, who has been with the firm for some time. Major Billings is a veteran of the last war.

Clark N. Howlett, local agent of Milford, Conn., has been assigned to army duties at Keesler Field, Miss. He is a captain in the air corps.

Newton E. Copple, son of S. E. Copple, president of Commonwealth Co. and manager of Lincoln Insurance Agency at Lincoln, Neb., entered as a cadet for officers training at Fort Francis E. Warren, Wyo. He is a University of Nebraska graduate.

W. Donald Walter, formerly of the underwriting department of Buckeye Union Casualty, has been promoted from captain to major in the army air corps. Ferrell R. Saas, formerly of the claim department, has enlisted in the navy.

Winston Wheeler of Wheeler Kelly Hagny, Wichita, has received a captain's commission, assigned to the air corps procurement headquarters at Dayton, O.

Lieut. Col. G. S. McHenry, local agent at Conway, Ark., has been relieved of army duty and placed on the inactive list after service since December, 1940, when the Arkansas national guard was mobilized. He was commander of a casual camp near San Francisco when relieved of duty. He was an infantry officer in the former war.

Webb Woodward, Topeka local agent,

will enter the volunteer officers candidate school in August. During his absence the Hussey Insurance Agency will handle his business.

Alfred E. Reeves, Jr., examiner in the audit department of the Mountain States Inspection Bureau of Denver, has been inducted into the army. He is a grandson of Col. A. F. Reeves, pioneer local agent of Montrose, Colo.

Richard T. Wellman, formerly with the Wichita office of the Kansas Inspection Bureau, has been transferred from Camp Wolters, Tex., to Camp Edwards, Mass., where he is a radio operator.

Seven more members of the Insurance Board of Cleveland have just been called into service. They are: J. A. Stangel, A. R. Fisher, M. B. Goldfarb, Pfister Insurance Agency; H. D. Mattison, Jr., Asling & Hoffman, and Harry Markey, Weil & Son, all in the army; Herold Fellingner, Bernstein-Fellingner, first lieutenant army air corps; F. W. Goodman, Evarts-Tremaine-Flicker Co., chief petty officer, coast guard.

R. J. McIvor of Marysville, O., has joined the army and his wife, Virginia McIvor, will conduct the business.

Frank W. Niskern of the Niskern Insurance Agency at St. Cloud, Minn., has entered the army. He has been connected with the agency for 16 years.

STOCKS

By H. W. Cornelius, Bacon, Whipple & Co., 135 So. La Salle St., Chicago, at close of business July 13, 1942

	Par	Div.	Bid	Asked
Aetna Cas.	10	5.00*	120	125
Aetna Fire	10	1.80*	47 1/2	49 1/2
Aetna Life	10	1.40*	27	29
Amer. Alliance..	10	1.20*	19	21 1/2
Amer. Equitable	5	1.00	17 1/2	19 1/2
Amer. Home....	10	...	6 1/2	8 1/2
Amer. (N.J.)...	2.50	.60*	12 1/2	13 1/2
Amer. Surety...	25	2.50	49 1/2	51 1/2
Automobile	10	1.40*	33	35
Boston	100	21.00	495	515
Camden Fire....	5	1.00	17 1/2	19 1/2
Carolina	10	1.40*	25	28
Contl. Cas.	5	1.50*	31 1/2	33
Contl. N. Y....	2.50	2.20*	36 1/2	38 1/2
Fidelity-Phen...	2.50	2.20*	36	38
Fire Assn.	10	2.50*	49 1/2	52 1/2
Firemen's (N.J.)	5	.40	9 1/2	10 1/2
Franklin Fire...	5	1.40*	27 1/2	29
Gen. Reinsur...	5	2.00	38 1/2	40 1/2
Georgia Home...	10	1.20*	21	23
Glens Falls ...	5	1.60	35 1/2	37 1/2
Globe & Repub.	5	.50	8 1/2	9 1/2
Gt. Amer. Fire.	5	1.20*	24 1/2	26 1/2
Gt. Amer. Ind..	2	.20	9 1/2	10 1/2
Hanover Fire...	10	1.20	23	24 1/2
Hartford Fire...	10	2.50*	84 1/2	87 1/2
Home (N. Y.)...	5	1.60*	28 1/2	30 1/2
Ins. Co. of N. A.	10	3.00*	64 1/2	67 1/2
Maryland Cas..	1	...	1 1/2	2 1/2
Mass. Bonding..	12.50	3.50	56	58
Mer. (N.Y.)Com.	5	2.00*	42	45
Natl. Cas.	10	1.00	20 1/2	22 1/2
Natl. Fire	10	2.00	52 1/2	54 1/2
Natl. Liberty...	2	.40	7	8
Natl. Un. Fire...	20	5.00*	145	150
New Amst. Cas.	2	.95c	19 1/2	21
New Amst. Cas.	2	.95c	19 1/2	21
New Hampshire	10	1.80*	39	41

	Par	Div.	Bid	Asked
Northern (N.Y.)	12.50	5.00*	81	84
North River...	2.50	1.00	20 1/2	21 1/2
Phoenix, Conn..	10	3.00*	82 1/2	84 1/2
Preferred Accl..	5	1.00	12 1/2	13 1/2
Prov. Wash....	10	1.40*	28 1/2	30 1/2
St. Paul F. & M.	62.50	10.00*	243	253
Security, Conn..	10	1.40	35 1/2	37 1/2
Sprgld. F. & M.	25	4.75*	107 1/2	110 1/2
Standard Accl..	10	2.50	50 1/2	51 1/2
Travelers .....100	16.00	392	405	
U. S. Fire.....	4	2.00	42 1/2	44 1/2
U. S. F. & G....	2	1.25*	25	26

*Includes extras.

Plan Los Angeles Get-Together

LOS ANGELES — Insurance Post 513, American Legion, is sponsoring the annual get-together luncheon of the insurance organizations of southern California, which will be held July 23. These organizations will join with the post in the observance: California Blue Goose, Casualty & Surety Field Men's Association of the Pacific Southwest, Southern California Fire Underwriters Association; Surety Underwriters Association of Southern California; Automobile Claims Managers Association, and others.

Dean Cromwell, coach at the University of Southern California will be the speaker.

Stimulate your business by sending out the Insurance Buyers' Digest each month to your customers. It gets results. Write The National Underwriter for sample copy.

YOU NEVER KNOW WHO'S LISTENING

IT is the duty of every insurance man and woman, as it is the duty of every American, to be particularly careful what he says and where he says it. The insurance business is so closely interwoven with manufacturers of essential army and navy supplies, that it is natural those in the insurance business frequently know in advance of new plants, additional employees, vital machinery about to be installed, and similar information. Engineers, inspectors and claim men have intimate knowledge of men and machinery in many a plant which is a cog in the wheel of the machinery which is making America the Arsenal of Democracy. Don't tell all you know. Don't repeat any information about any risk in any public place. Don't give the enemy the tip-off. You never know who's listening. Your best friend may be the sort of a person who likes to show off his knowledge, acquired from you, by saying, "Why an insurance man told me just the other day..." Get the proper information to the proper authorities as promptly as possible. But make absolutely sure it gets nowhere else. Such warnings have appeared before and will appear again. They should be repeated again and again and again.

You Never Know Who's Listening



THE EMPLOYERS' GROUP

110 Milk St., Boston, Mass.

EDITORIAL COMMENT

War Injury Pool Forward Move

PLANS for the formation of a pool to write the new civilian war injury policy, sponsored by the Health & Accident Underwriters Conference, offer an opportunity for real service to the insuring public and an improvement of public relations in the accident and health field, a subject which has been given much attention in recent years.

When the question of covering war damage came up, the fire companies very properly decided that it was not a hazard which could be covered on the usual basis. The result was the formation of the War Damage Corporation, under government auspices, with the companies actually handling the writing of the business. The accident and health companies have gone at this proposition on a somewhat different basis. They realize that it would be impossible for individual companies to write this coverage but feel that it will be entirely prac-

ticable on a pool basis, particularly if a large number of companies participate. Even a joint effort by a few of the larger companies would not produce as satisfactory results as if more of the companies are brought in, even though they may be smaller individually. Extensive participation is desirable.

Great credit is due to the special committee of the conference which has worked out the details of coverage and procedure and especially to its chairman, C. O. Pauley, secretary of Great Northern Life, who has given unstintingly of his time and effort in working out a satisfactory solution of the problem and in composing the differences which necessarily have arisen in connection with a proposition of this kind. The successful inauguration of the plan now seems to be assured and the movement certainly is one which is entitled to the highest commendation.

All Businesses Affected

INSURANCE men, and possibly life insurance writers to a greater extent, are prone to emphasize in their own minds the difficulties that are confronting them in their work due to war and dislocated economic conditions. It is true naturally that the buying power of the public is affected, that life insurance particularly is not so readily salable among certain classes, that automobile insurance will gradually fade out to a large extent and there are irritating and exasperating situations to be confronted.

However this may be, we should all recognize that there is not a single line

of business but what is affected in some way or other. Many that have to deal with priorities, that have great difficulty in getting supplies, that are confronted with government regulations of all kinds, whose foundations are almost shattered, have situations to meet that are far more vital and discouraging than can be seen in insurance production. After all the insurance salesman is in a favored spot because he is not surrounded with so many regulations, restrictions and rules. He has a free and open market so far as those are concerned that have the money to buy.

Necessity for Cooperation

REGARDLESS of whether insurance companies, agents, other producers or others associated with insurance belong to organizations or not, we all recognize the fact that they play an important part in the business. Organizations in insurance are natural to a business which is peculiar. There is so much in common with insurance operations. Companies are interested in the same risk, in the same agency and the same loss. They naturally must work together in many different ways regardless of whether they belong to organizations or not. Local agents have a hundred common problems.

Attorney General McKittrick of Missouri, who is prosecuting the companies, charging them with conspiracy in his state, evidently does not understand at

all the fundamentals of insurance and its structure. Unless there is cooperative effort among the companies along perfectly legitimate lines there would be chaos and instability. Policyholders would not be sure of the permanency of companies or the security of their indemnity.

Competition regulates itself automatically in insurance. Let there be an undue profit come from any class or any manner of doing business and there are soon to be plenty of those seeking the same vineyard. We have the competition of participating against non-participating companies. We have the competition between organized companies and those that are independent. All this keeps cost at a normal level and prevents monopolistic tendencies.

What the assured is interested in chiefly, in our opinion, is that his indemnity, his protection, is based on a reasonable basis and experience and that his company is not riding to the whirlwind. It would be impossible for fire, casualty, marine, automobile and other lines of property insurance to operate normally and successfully unless there is a cooperative spirit. In this way insurance differs greatly from other activities. Governmental authorities should understand the very ground work of insurance.

The other day Western Manager Achenbach of the Aetna Fire, as president of the Western Underwriters Association, gave a talk before the Indiana Fire Underwriters Association on the purpose of organizations in the fire insurance business. Extracts from his address appeared in THE NATIONAL UNDERWRITER of July 9. It will pay all to review what Mr. Achenbach said. He gave a very clear analysis of what organization means in insurance. He explained how cooperation helps and, indeed, why it is indispensable.

PERSONAL SIDE OF THE BUSINESS

Russell J. Bath, local agent at Iron Mountain, is a candidate for Congress in the Republican primaries in the 12th district of Michigan. Mr. Bath has been in the local agency business 19 years. His slogan and platform are: "Politics Needs a 'Bath'—a Better Deal for the Upper Peninsula."

Morris W. Davidson, treasurer of the "Insurance Field," and president of the Courier-Journal Job Printing Co., announces the engagement of his daughter, Miss Jane Coleman Davidson, to Lawrence Reid, Louisville. Miss Davidson is a graduate of the University of Louisville, where Mr. Reid is a senior.

O. S. Johnson of Clarksdale, in becoming president of the Mississippi Association of Insurance Agents, follows in the footsteps of his father, Col. J. H. Johnson, who served as president of the Mississippi organization for six terms. J. H. Johnson was also insurance commissioner of Mississippi.

O. S. Johnson was born in Clarksdale in 1902 and graduated from the University of Mississippi in 1924. He then entered the agency of his father, J. H. Johnson & Co., and he is now vice-president of that agency. He reorganized the Clarksdale Insurance Exchange in 1933 and served the Yazoo Delta Local Agents Association as president. He first served as a director of the Mississippi association in 1937. He has taught a number of classes in the association's school. He is a director of the Rotary Club, Clarksdale Chamber of Commerce and Clarksdale Country Club.

James L. Madden, third vice-president of Metropolitan Life, is to be appointed chairman of the insurance committee of the U. S. Chamber of Commerce. He is very familiar with this work as several years ago he was manager of the insurance department of the chamber. Prior to that he was with Metropolitan Life for five years and he was recalled to the company's services by Haley Fiske, who was then its president. He has been influential in the National Industrial Conference Board, Transportation Association of America and he has lectured in New York University law school.

Paul L. Hardesty is manager of the insurance department and will continue in that position. T. F. Cunneen, who had held this position, but was later made executive assistant for insurance,

has resigned. It is likely that the chamber will appoint an experienced fire and a casualty man to strengthen the staff. Mr. Hardesty has a banking background and is well equipped for administrative work.

Richard H. Rogers, president of the Spokane (Wash.) Insurance Association and a member of the Rogers & Rogers agency, has received a civil service appointment as a junior engineer with the U. S. army engineers and is en route to Whitehorse in the Yukon where he will work on the new road to Alaska.

B. D. Forshay of Anita, Ia., father of R. W. Forshay, president National Association of Insurance Agents, is now reported as showing some slight improvement. The elder Forshay has been seriously ill for some time with a heart ailment. The Forshays operate an agency which was established at Anita in 1894. Mrs. B. D. Forshay also has been in ill health for some time.

P. J. V. McKian, Western Actuarial Bureau fire prevention department publicity man, who was injured in an accident several months ago, is now able to get around. Mr. McKian celebrated his 77th birthday last week.

Col. Harry M. Gambrell of the Gambrell-Stubbs agency was a guest of honor of the Advertising Club of Kansas City July 13 to receive a Missouri state flag from the club for the Third Missouri regiment of which he is commanding officer. Colonel Gambrell is vice-president of the Insurance Agents Association of Kansas City and chairman of its publicity committee.

DEATHS

Mrs. Daisy F. Sellers, wife of Truitt B. Sellers, head of the Ohio Inspection Bureau, died from a heart attack in a hospital in Columbus. She had been ill several weeks.

Charles H. Barrett, 79, veteran local agent of Stockton and Sacramento, Cal., died in the latter city.

James P. Balding, 68, for many years in the local agency business and more recently with the McCallum Insurance Agency, Milwaukee, died following a lengthy illness.

Miss Ruth A. Freeman, 43, for some years chief clerk for the Boston head-

THE NATIONAL UNDERWRITER

PUBLISHED EVERY THURSDAY

Published by THE NATIONAL UNDERWRITER CO., Chicago, Cincinnati, New York. PUBLICATION OFFICE, 175 W. Jackson Blvd., CHICAGO. Telephone Wabash 2704. EDITORIAL DEPT.: C. M. Cartwright, Editor. Levering Cartwright, Managing Editor. News Editors: F. A. Post, C. D. Spencer. Associate Editors: D. R. Schilling, J. C. O'Connor, Kenneth Force. BUSINESS DEPT.: John F. Wohlgenuth, President. H. J. Burrige, Vice-President and Secretary. John Z. Herschede, Treasurer. W. A. Scanlon, G. C. Roeding, O. E. Schwartz, Associate Managers.

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NEW YORK OFFICE—123 William St. Tel. Beekman 3-3958. Editorial Dept.—G. A. Watson and R. B. Mitchell, Associate Editors. Business Dept.—N. V. Paul, Vice-Pres.; J. T. Curtin and W. J. Smyth, Resident Managers.

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"My son is having a jitterbug party, tonight, here, for his high school friends. You'd better send an adjuster to look over the damage, tomorrow!"

quarters of the National Fire Protection Association, died suddenly in a Boston hospital.

John McElroy Cochran, 59, vice-president of the Sulzer-Cochran Insurance Agency, Maysville, Ky., was found dead in his room at a hotel in Phoenix, Ariz. The coroner said he apparently had committed suicide by shooting himself. Mr. Cochran had disappeared from his home five days earlier and a nation-wide search had been instituted.

W. B. Ball, 72, Lincoln, Neb., local agent, is dead. In earlier years he served as a field man for several companies.

T. J. Gronewold of St. Paul, 68, who for 20 years never missed a state meeting of insurance agents in Minnesota until stricken by illness, is dead. He conducted an agency with his son Robert. Two years ago Mr. Gronewold had a stroke which prevented him from attending meetings that year of the Minnesota Association of Insurance Agents but as soon as he was able to get about again he made it a point to get to both local board and state meetings and was an interested attendant at the 1942 mid-year meeting of the state association. Mr. Gronewold was active in politics and for many years was deputy clerk of court in Ramsey county.

R. J. Gregory, Sr., president of Gregory-Hassinger agency, New Orleans, died following a heart attack. He was prominent in politics and served as state fire marshal for a number of years.

Howell T. Lykes, vice-president of Lykes Bros. agency, Tampa, Fla., died in Baptist Hospital, New Orleans.

A. R. Serven, 79, formerly an insurance attorney in Washington, D. C., died at Rockville, Md., after a long illness. He went to Washington from Buffalo in 1893 as chief of the organization division of the office of the controller of the currency. He left the Treasury Department in 1896 to become chief examiner of the United States civil service commission, leaving that post nine years later to take up insurance legal practice.

Wallace C. Butler, Jr., 68, who was office manager of the Lawton-Byrne-Bruner agency, St. Louis, for 15 years prior to his retirement three years ago, died from a cerebral hemorrhage at the home of his daughter in Cincinnati. Mr.

Butler, who was in the insurance business in St. Louis for 40 years, and his wife had been making their home with their daughter.

James Harvey McClure, 60, special agent in Maine for Continental and First American Fire, died suddenly at his home in Bangor. He graduated from the University of Maine in 1905 with an A. B. degree. He came from an insurance family, his father having represented Continental since 1884. He went into a local agency at Bangor and in 1909 went with Continental as special agent for Maine and had been in that position ever since.

Mr. McClure was a member of the executive committee in 1920 and 1921 of the New England Insurance Exchange.

George J. Gnau, who since 1931 had been a member of the Gnau & Co. agency of Detroit, died at the age of 71. He organized the Detroit Insurance Agency and was its president and general manager until 1931. He was chairman of the citizens' committee of Detroit Board of Commerce.

E. F. Pooler, 46, local agent in Leesburg, Fla., since 1935, died in Jacksonville as the result of a brain concussion.

Flora with American Auto

LOS ANGELES—Fred Flora, well-known in insurance circles here has joined American Automobile as field representative. He succeeds H. W. Holmes, who recently enlisted in the volunteer officers corps of the army.

Graduated from the University of Kansas in 1925, Mr. Flora came to Los Angeles and entered insurance as a field man three years later. After traveling southern California for two casualty companies, he joined the General Associates, Ltd., premium and automobile finance firm, which position he has resigned to join American Automobile.

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The NATIONAL UNDERWRITER

July 16, 1942

CASUALTY AND SURETY SECTION

Page Seventeen

Bicycle Liability Classes Set Up by National Bureau

Family, Personal, Business Classes, New Rules on War Workers, etc.

NEW YORK—The National Bureau of Casualty & Surety Underwriters authorized three new liability coverages last week, bicycle liability, under three classifications, personal liability for volunteer war workers and liability coverage for army and navy post exchanges. All are assigned to the owners, landlords and tenants manual.

There has been a demand for bicycle liability coverage since the automobile situation focused attention on this method of transportation and some insurance men expected this coverage to be taken over by the automobile departments of casualty companies. However, bicycles have previously been covered under teams liability contracts and a number of general liability policies cover use of bicycles, so leaving this coverage in the general liability field was a logical development.

Family Bicycle Policy

No description of bicycles is required for any of these classifications. The family bicycle coverage protects the named assured, his or her spouse and children under 21 permanently residing in the household against liability from the ownership, maintenance or use of bicycles, for pleasure or business, and also from the maintenance or use of bicycles by domestic servants. It does not cover the personal liability of servants, nor does it cover the use of bicycles by any other employee of the assured. It also excludes coverage while bicycles are rented to others.

The rate for the family bicycle policy is \$5 for bodily injury liability insurance with \$5/10,000 limits and \$2.50 for property damage liability with \$1,000 limit.

Personal Bicycle Coverage

The second bicycle classification is the personal bicycle policy, which is the same as the family coverage except that it covers only the liability of the named assured. It also covers the assured against liability from use of bicycles by domestic servants. If this coverage is written under the same policy as other liability insurance, the rate is \$3 for bodily injury liability and \$1 for property damage liability, but if written alone the minimum premiums of \$5 and \$2.50 apply.

Some bicycle coverage is provided by other policies for individuals, but none of them cover business use of bicycles. The personal liability policy covers the named assured and spouse against pleasure use of bicycles by themselves and by minor children, but does not cover use by servants. Minor children are not covered personally, but they can be included in this policy for an additional premium.

Assigned Auto Risk Plan for Wisconsin

All Companies Agree to Participate in Writing Sub-Standard Drivers

MILWAUKEE—To provide automobile liability insurance for sub-standard Wisconsin financial responsibility risks, an assigned-risk plan is being established at the suggestion of Commissioner Morvin Duel by the voluntary action of some 80 companies. At a meeting here of the Wisconsin department and company representatives the companies writing in the state have willingly come into the plan which is similar to those in operation in other states requiring that persons found guilty of traffic offenses or involved in automobile accidents must show financial responsibility before their drivers' licenses are restored. Few companies will accept these sub-standard risks.

Company representatives selected the following governing committee: Aetna Casualty, American Automobile, Hardware Mutual Casualty and Farmers Mutual Auto of Madison. A manager will be named and an office opened. After three companies have rejected a risk in writing, it will be turned over to the manager who will assign rejected risks in rotation among all companies and in numbers proportionate to their Wisconsin premium volume. Any disputes between companies may be carried to the state insurance commissioner for adjudication. The plan is purely an assigned risk plan and does not involve any pool to handle sub-standard business.

The family sports liability policy covers pleasure use of bicycles by the assured, spouse and minor children, and the individual sports policy covers pleasure use by the named assured. The residence liability policy covers use of bicycles, but covers only the liability of the assured, whose spouse may be included without additional charge.

Commercial Use

The broadest and most expensive of the new bicycle classifications is for commercial and pleasure use, including use by employees of the assured. The premium for this class is based upon the number of bicycles, but they need not be identified if all bicycles owned by the assured and his family or used in his business are insured. This classification covers the named assured and members of his family permanently living with him (adults as well as children) while using bicycles for business or pleasure, employees of the assured and of members of his family while using bicycles in the course of their employment and any person or organization using or legally responsible for the use if a bicycle is used with the permission of the assured or a member of his family.

The rate for this classification is \$3 per bicycle for bodily injury liability and \$1 for property damage liability, except in Manhattan, Brooklyn, Bronx and Queens boroughs of New York, where the rates are \$6 and \$2.50. If all bicycles owned by the assured and members of

Interstate Rating Group Named

Complex Problems to Be Studied by Industry and Commissioners

NEW YORK—To aid in working out a solution of the interstate rating problem, in both the fire and casualty fields, which was one of the important issues considered at the Denver convention of the National Association of Insurance Commissioners, Pink of New York, chairman of the committee, has named a number of fire and casualty company, bureau and agency representatives to the committee. Enlargement of the committee in this fashion was authorized at Denver.

Fire insurance representatives named are: C. F. Shallcross, U. S. manager North British & Mercantile; Ivan Es-cott, vice-president of Home; Chase M. Smith, counsel National Retailers Mutual; John A. Diemand, president North America; W. D. Winter, president Atlantic Mutual of New York.

Casualty Men Listed

Casualty representatives are: S. B. Perkins, secretary compensation and liability department Travelers; James M. Haines, U. S. manager London Guarantee; and H. W. Yount, vice-president Liberty Mutual; Harold J. Ginsburgh, assistant vice-president American Mutual Liability; R. M. Clark, vice-president and secretary Continental Casualty.

Representing the producing forces are: George W. Carter, Detroit; R. W. Forshay, president National Association of Insurance Agents; Courtlandt Otis, Johnson & Higgins, New York; Julian Lucas, Davis Dorland & Co.; Ralph W. Howe, chairman casualty and surety committee N.A.I.A.; Bryson Thompson, president National Association of Mutual Insurance Agents.

Those named as advisors are: William Leslie, general manager National Bureau of Casualty & Surety Underwriters; Frank A. Fleming, general manager Mutual Casualty Insurance Rating Bureau; John R. Dumont, manager Interstate Underwriters Board; Harold M. Hess, manager New York Fire Insurance Exchange; Hovey T. Freeman, president Manufacturers Mutual Fire; Clarence W. Hobbs, National Council on Workmen's Compensation Insurance.

The other members of the committee of the National Association of Insurance Commissioners are: Duel, Wisconsin; Jones, Illinois; and Julian, Alabama. Morin of Rhode Island, who has retired from office, was a member.

It is anticipated that before the December meeting of the association, the commissioners committee will meet with the committee from the industry. It is planned to call meetings of the committee immediately.

his family and used in his business are not covered, coverage is restricted to the named assured only and to specified bicycles.

This new classification may not be ap-
(CONTINUED ON NEXT PAGE)

Claim Association Expedites Handling of War Death Cases

Valuable Booklet Outlines Procedures; Is Useful on "Missing" Claimants

NEW YORK—Speedy handling of death claims on members of the armed forces, the merchant marine and workers employed at outlying bases has been greatly facilitated by a booklet issued by the International Claim Association. The suggested procedures have been particularly helpful in dealing with claims on persons reported missing in action where, of course, the question arises as to whether there is sufficient ground for considering the insured dead so that the claim may be paid.

One of the most important steps in expediting claim payments is the suggestion that companies supply their agencies and branch offices with form letters, texts of which are given in the booklets, so that the office can immediately forward to the War or Navy department a request that an official certificate of death be sent to the home office. The agency or branch notifies the home office claim department that it has requested the certificate and sends a copy of the notification, usually a telegram, received by the beneficiary, and the regular form of claimant's statement, such answers being omitted as would be impossible for the beneficiary to supply in such cases.

Notifying Navy Department

When a policyholder in the navy is reported missing in action the company advises the navy's bureau of medicine and surgery of its interest in the case, requesting the bureau to note this interest on its record. When and if the policyholder is later declared to be officially dead a copy of the death certificate will automatically go to the company. In the event the policyholder is found to be alive, as a prisoner of war, for example, the company will also be automatically notified. If the navy, after furnishing an official death certificate to an insurance company later finds that the person reported dead has been located alive the Navy department will undertake to advise the company. It should be noted, however, that this refers only to official death certificates and not to telegraphic advices.

Where the navy has no direct evidence of the date of a vessel's sinking or must presume it to have been lost by reason of the length of time it has been overdue a court of inquiry fixes the date on which the loss is deemed to have occurred.

Should Notify Adjutant General

The War department has not set up a procedure for determining what has happened to individuals reported as "missing" or "missing in action" but the claim association's booklet suggests that

in the case of policyholders in the army who are reported missing the company write to the adjutant general requesting him to note the company's interest in the case and asking for an official death certificate should one later be issued.

The procedure, of course, is less complicated where there is no doubt of the policyholder having died. Certificates of death may be obtained from the bureau of medicine and surgery in the case of naval personnel or from the adjutant general's office if the insured was in the army. The same applies to civilian employees of the Navy and War departments respectively.

Terms Now Clarified

The term "lost in action" was used in some telegrams sent out by both the Army and Navy departments immediately after the raid on Pearl Harbor to cover individuals killed in action as well as missing in action. The claim association's booklet, however, points out that instructions have now been issued by the Secretary of the Navy that the word "lost" is not to be used in official notifications and that reports are to be made on the basis of men either killed in action or missing in action. The booklet warns that telegrams sent out by the army or navy should not be accepted as proof of death sufficient to enable companies to approve payment of claims and that official certificates of death should be required in each case, the main reason being that neither the army or navy will make any payment of the six months' pay allowance granted by law until the official death certificate has been issued with the certification that death was not due to misconduct.

Quite a few companies are already following the suggestion that official certificates of death be obtained directly by the companies from the War and Navy departments rather than by asking the beneficiaries to obtain them. The War and Navy departments, the latter including the United States Coast Guard, prefer the request to come direct from the companies. No authorizations are required and no fee is charged. The only stipulation is that the company have an interest by reason of insuring the individual's life and that the information be considered strictly confidential and not to be given out, even to the beneficiary. If beneficiaries desire particular information they can address communications directly to the proper departments.

Many of those reported missing by the army or navy will later prove to have been taken prisoner. This brings up the question of obtaining proper certificates of deaths in the case of prisoners dying of wounds or disease. The claim association's booklet sets forth the pertinent provisions of the Hague and Geneva conventions. There is a provision that death certificates of prisoners of war shall be drawn up in the same way as for soldiers of the national army and that the belligerent powers "shall draw up and forward to each other death certificates." Belligerents are also supposed to notify each other of their capture of prisoners through an intermediary information bureau which has already been set up.

The same conditions apply to civilian internees and "assimiles" which is the general term for persons such as war correspondents, YMCA and other such workers who are with the armies in the field. Death certificates of United States soldiers, sailors and citizens who die while in the hands of the enemy will be completed by the enemy and will be received by the prisoner of war information bureau in the office of the Provost Marshal General, War department. If the bureau has received a death certificate, it will furnish a certified copy to the company. If a certificate has not arrived the company will be notified as to what disposition is to be made of the case.

Proofs for Merchant Marine

No standard procedure has yet been developed for furnishing life companies with satisfactory proof of death of insured individuals in the merchant marine. Difficulty in obtaining absolute evidence of death may arise in some cases. The claim association's booklet suggests getting in touch with the ship-

ping company on whose vessel the insured was serving. In the rare cases where the life company cannot obtain reasonably satisfactory proof of death directly from the shipping company the booklet suggests communicating with the bureau of marine inspection and navigation of the United States Department of Commerce. While the bureau does not issue death certificates it will either have in its possession or can obtain from the shipping commissioner of the port from which the ship sailed information which will be of value in settling the claim.

Full information on the Canadian procedure in the payment of war claims is given in the booklet. It was originally contained in a memorandum prepared by a committee of the Canadian Life Insurance Officers Association.

The committee in charge of preparing the claim association's booklet included Daniel J. Reidy, Guardian Life of New York, chairman; Ralph Heller, Prudential; John Blanchfield, Aetna Life; J. Edwin Dowling, Metropolitan Life; and R. D. Taylor, Sun Life of Canada.

Bicycle Liability Classes Set Up

(CONT'D FROM PRECEDING PAGE)

plied to news agents, newspaper publishers, telegraph companies and public messenger and parcel delivery services. These risks have called for special rating of the bicycle hazard for some time.

General liability policies, except for those risks requiring special bicycle rating, cover use of bicycles in business without additional charge. Stores, for example, have this coverage under their liability policies. However, this does not cover anyone but the named assured and provides no personal coverage for employees of the assured using their own bicycles or those furnished by the assured. The new classification provides practically "omnibus" coverage on bicycles.

Volunteer War Workers

The new coverage for volunteer war workers protects them against liability from personal acts in connection with civilian defense and similar organization work, including rendering or failing to render first aid. It does not cover professional malpractice on the part of a physician, dentist or professional nurse. It may be written for such persons as air raid wardens, auxiliary firemen and policemen, nurses aids, Red Cross and United Services Organization workers.

The rate for this coverage for individuals is \$3 for bodily injury liability and \$1 for property damage liability, if written with other coverages, such as residence liability, under the same policy. Otherwise, the bodily injury liability minimum premium of \$5 applies. Special rating will be applied to group coverage for a municipality, defense council or other organization, provided coverage is purchased for all workers in the unit.

Post Exchanges

Most personal liability policies do not specifically exclude war work, but it is questionable if this coverage is included. There is a specific exclusion of acts of the assured in connection with his business or profession.

The new post exchange classification makes it possible to provide both premises and product liability insurance with a single premium basis. The new rate is 20 cents per \$1,000 annual gross receipts (including taxes) for bodily injury liability and 3 cents for property damage liability. Minimum premium is \$25 for bodily injury liability and \$10 for property damage liability.

Duplication of Coverage

Some confusion may arise with the introduction of these new special bicycle forms because of the fact that already a good many of the liability contracts contain a certain measure of protection for liability arising out of the use of bicycles. If a person holding one of these other policies should buy the new bicycle coverage as well, there would be a certain duplication of coverage but even so, the

In Higher Post

W. T. Harper, who has been made vice-president in charge of all casualty



W. T. Harper

underwriting departments of Maryland Casualty, has been with the company since 1911 and has been vice-president and agency director. He was made manager of the public official and depository department in 1917, agency director in 1934 and a vice-president of the company in 1935.

Illinois Instructions on Comprehensive Policies

A bulletin sent by Insurance Director Jones of Illinois to companies outlines the procedure that is to be followed in policies offering comprehensive general liability protection and policy forms providing coverages other than automobile in the same contract with any form of automobile insurance.

Policies will be accepted for filing only when the automobile rates charged do not differ from the rates on file with the department. Rates applying to bodily injury and property damage and any other automobile or motor vehicle coverage must be shown separately. Rates for other coverages than automobile must be shown separately. Insuring agreements, conditions and exclusions shall be the same as contained in policies of the company designed to insure motor vehicles alone, and the company in question must be authorized to write motor vehicle insurance as well as general liability and other included forms.

cost of the bicycle form is low and the assured would then have the most complete protection that is available.

The personal liability and the sports liability policies already afford some bicycle coverage. The family sports form includes the liability of children under 21 years of age residing in the same household as part of the basic policy premium charge. The personal liability policy includes coverage for the minor children only if an additional premium is paid. The basic form covers the husband and wife and their liability for acts of minor children but not the personal liability of the minors themselves. Moreover, there is a limitation in the personal liability policy that excludes use of bicycles in a trade, profession or business.

The manufacturers and contractors liability forms include bicycle coverage except for personal use of the bicycle. Such coverage, however, is not included in certain classifications such as distributors of periodicals, telephone companies, messenger services, etc., where the bicycle is the dominant hazard away from the premises.

Those buying personal liability insurance, sports liability, O. L. & T., are a prudent type and the bicycle policy should undoubtedly appeal to them, if they have an exposure, even though they may be already protected at certain points. In addition, it is felt, the bicycle policy should appeal to many others who habitually buy automobile liability insurance but do not buy such insurance to cover their activities as householders and in their personal capacity.

No new manual pages were issued, the National Bureau announcing the new rules by a post card mailing. It assigned code No. 383 to family bicycle liability, No. 384 to individual bicycle coverage and No. 385 to the commercial class. The volunteer war workers coverage was coded as No. 382 and post exchanges under No. 758. The rule also stated that post exchanges in Louisiana should be submitted for rating.

Security Mutual Now More Liberal on Hospital Expense

Liberalization of its hospital expense policy is announced by the Security Mutual Life, Binghamton, N. Y.

Daily hospital benefits will hereafter be allowed at the rate purchased, instead of being limited to the expense actually incurred. The policy is made incontestable as to the time of origin of sickness causing loss, beginning after two years from the contract's effective date. In addition, fixed limits of \$10 for operating room charges and \$10 for x-ray examinations have been shelved in favor of an aggregate \$20 limit for operating room, x-ray, anesthesia, laboratory and ambulance service, this liberalization, however, not to apply to cases of pregnancy, childbirth or miscarriage.

Women may now purchase as much hospitalization indemnity as their husbands, the maximum now being \$5 per day as opposed to a former limit, for women, of \$4 per day. For the wife to obtain the \$5 coverage, the husband must carry a hospitalization policy calling for the same indemnity.

In instances in which the husband does not carry \$5 a day hospitalization coverage, the wife may purchase up to \$4 a day indemnity, including maternity benefits, provided that the husband owns any form of Security Mutual accident and health contract on which the premium equals or exceeds the premium paid by the wife.

Calling attention to the changes, E. A. Hauschild, accident and health department manager, pointed out that "the history of hospitalization insurance has been one of experimentation. Premiums have been increased and coverage restricted time after time. Security Mutual is therefore especially pleased to be able to liberalize, rather than reduce benefits."

Pink Says Public Expects Action on Auto Rates

The New York department is reported to have sent a letter to the National Bureau of Casualty & Surety Underwriters stating that the public expects the insurance companies to take some sort of rate action to compensate for the reduced amount of driving. The department has been exercising patience, it is understood, knowing that the companies are very sensitive to the situation and are watching developments in the automobile field closely. However the department does feel that the companies must make a decision within a reasonable time.

Ruling on Guards at War Factory Patrol Duties

NEW YORK—The Towner Rating Bureau has ruled that uniformed guards at manufacturing plants working on government contracts may be rated as class C employees under commercial blanket and blanket position bonds. No premium charge is made for these employees.

Watchmen continue to be rated as class A employees, taking the highest applicable rates. Uniformed guards are hired in addition to watchmen, under government regulations, and their duties are mainly outside the buildings, establishing the identity of persons entering and leaving the premises and outdoor patrol work.

Defense Project Rate Rule

The 20 percent rate reduction allowed plants engaged in national defense projects, the Compensation Insurance Rating Board of New York advises, is applicable only to projects in which the cost of insurance represents a direct item of expense to the government by reason of a contract reimbursement agreement.

Set Up Depository for A. & H. War Pool

Final Details Worked Out—Invitations Sent to More Than 200 Companies

Invitations to participate in the war injury policy pool, sponsored by the Health & Accident Underwriters Conference, have been sent to over 200 accident companies by the war policy committee headed by C. O. Pauley, secretary Great Northern Life.

The invitation, which must be accepted by or before July 22, includes a copy of the civilian war injury policy which already has the approval of most of the states, samples of the application and receipt forms, which all companies will be required to use, and a specimen copy of the reinsurance agreement which will control the mechanics of the management of the plan and describe the allocation of the risk.

Final Approval of Forms

At a meeting of the committee in Chicago last week final approval was given all the forms and a depository arrangement was made with the Harris Trust & Savings Bank, Chicago, which will receive and disburse the funds of the pool under the terms of the reinsurance agreement in a manner which is expected to be entirely satisfactory to all participating companies.

The committee stressed the importance of prompt decisions on the part of the companies receiving invitations. It was pointed out that the speed with which the pool is completed will determine the date on which the policy can be offered to the public. The potential number of companies which will elect to enter the pool will probably exceed advance predictions, according to Harold R. Gordon, conference executive secretary. Mr. Gordon explained that inquiries, prompted by widespread newspaper publicity, have been reaching his office daily and that many companies have expressed a keen interest in this cooperative endeavor.

Innovation in A. & H. Field

Pooling of the risk assumed among many companies is not a new principle in the insurance business, although the exact plan as contemplated for the civilian war injury hazard has never been attempted in the accident field previously. According to C. O. Pauley, chairman, the key to the success of this pool plan depends upon the spreading of this risk through a large number of companies rather than a few companies of large size. For example, Mr. Pauley explained, three or four of the largest accident companies forming a pool could not obtain the spread of risk and the division of the risk in each policy as advantageously as 75 to 100 companies could, even though they are smaller in size than the first group.

To Have 1,000 Units

The committee in an explanatory letter addressed to the companies explaining the full arrangement said: "The pool will be divided into 1,000 units, each of \$5 principal sum and 50 cents medical expense. Each company is permitted to subscribe for a minimum of one unit and a maximum of 50 units. The committee reserves the right to reduce the number of units assigned to any company. The number of units assigned will be based upon the territory in which the company is licensed, the amount of its surplus funds, and its accident and health premium income. The participation in the pool by each company will be based upon the number of units assigned to it, and will have no relation whatsoever to the number of policies written by the individual company. Each participating company is expected to write as many of these policies as possible so

Launch "Benj. Rush"



The 37th Liberty Ship launched at the Bethlehem-Fairfield Shipyards, near Baltimore, was christened by Mrs. Benjamin Rush, Jr., wife of the vice-president of Indemnity of North America. The name was selected by the Maritime Commission in tribute to the distinguished Philadelphia physician, teacher and humanitarian, who was one of the signers of the Declaration of Independence. His great-grandson is Benjamin Rush, chairman of the North America companies. In the launching party are Benjamin Rush, 3rd, Benjamin Rush, Jr., and Mrs. Benjamin Rush, Jr.

that the field may be thoroughly covered.

"There will be no underwriting restrictions except as to military or naval service. The policy may be issued to all civilians regardless of age, occupation, or physical condition."

MINNESOTA APPROVES FORM

ST. PAUL—The Minnesota department has approved the new civilian war injury policy sponsored by the Health & Accident Underwriters Conference.

Automobile Fleet Lines Are Holding Up in the Volume of Premiums

Companies that do an extensive fleet business in automobile insurance find that their premiums in that class are holding up remarkably well. The opinion seems to prevail that these commercial cars will be able to get tires in due season because their work for the most part will be regarded as essential. Those who have studied the question say that while pleasure cars will be restricted, commercial cars will receive much more liberal treatment. It is thought that they will be able to get tires when they are needed.

Plan Non-Affiliated Forum

SAN FRANCISCO—Under the leadership of Francis H. DeWitt, northern California manager of Associated Indemnity, San Francisco underwriters of non-affiliated casualty companies are organizing an educational forum.

The Casualty Underwriters Association and the Fire Underwriters Forum of San Francisco restrict their memberships to employees of companies affiliated with the Pacific Board and the National Bureau of Casualty & Surety Underwriters.

Australia Raises Money with American "Ad"

Commonwealth Bank of Australia recently confessed to Fidelity & Deposit that it had "lifted" the F. & D.'s advertisement—which pictured a Curtiss-Wright interceptor above the words "Swift, Dependable Protection"—for use in its second liberty loan drive. The F. & D. "ad" appeared in several insurance and banking publications.

The Curtiss-Wright plane was used extensively by the Dutch in defense of the East Indies, so the F. & D. copy was an interesting coincidence.

Approves Partial Bond in Auto Injury Case Appeal

The filing of supersedeas appeal bonds in automobile bodily injury cases where the amount of the judgment rendered in the lower court is larger than the amount of liability coverage under the policy has been of considerable concern to insurers.

In an Illinois case, Wallace vs. Parnell, the insurer filed a partial supersedeas bond and the appellate court upheld its right to do so.

Judgment Exceeds Policy

In that case, Louise Wallace, administratrix of the estate of Frank W. Wallace, sued Earl Parnell as the result of the death of Wallace in an automobile accident. A trial was had in the circuit court of Vermillion county, and judgment awarded the plaintiff for \$6,500.

Union Automobile Indemnity Association, a casualty reciprocal of Bloomington, Ill., carried a \$5,000/\$10,000 bodily injury policy on the defendant.

The insurer, of course, was not a party to the suit. However, Charles F. Short, Jr., Chicago attorney, and others of counsel, filed a petition in the lower court on behalf of the insurer asking leave to put up a partial bond in the case.

The petition and ensuing argument of the insurer's attorney was to the effect that the insurance contract was limited by its terms to \$5,000 for the liability alleged; the insurer had offered to furnish a supersedeas bond to the extent of its alleged liability under the contract and had requested the defendant to furnish security for the bond in excess of those limits, but the defendant declined to furnish his proportionate share of the appeal bond.

Bond Equals Policy Limits

The lower court allowed the insurer to file a partial bond in the amount of its maximum liability under the insurance contract, \$5,000. When attorneys for the plaintiff moved the appellate court to dismiss the appeal because of the insufficiency of the bond, the court denied the motion. This is said to be the first time that a court of appeals has permitted a partial supersedeas bond to stand.

Where judgments in a lower court are larger than the policy limits, insurers have repeatedly faced the difficulty of appealing without putting up a bond for the full judgment. Since it is almost impossible in the average case to have the defendant furnish the excess required, the insurers have had to decide whether to risk putting up a bond larger than their policy limits or to appeal without supersedeas. In the first instance they risk losing more than the contract insures for, and in the alternative they risk execution on the defendant as well as garnishment suits while the appeal is pending.

The decision in this case may have a far reaching effect in answering a difficult problem.

Exposure Higher with U. S. in Airlines Control

Since the government has taken over the commercial airlines, the insurers fear that their exposure has been increased. The personnel of the airlines is subject to army orders and the fliers may be sent on special secret missions, perhaps of a hazardous nature, abroad. The insurers attach a voluntary workmen's compensation endorsement, providing coverage outside of the United States and also in states that have monopolistic state compensation funds and, hence, there is no doubt that the insurance companies would be liable. Apparently there is no disposition on the part of the insurance interests at present at least to get an increase rate because of this situation, however.

Iowa Rate Situation Confused; Cautious Attitude Prevails

DES MOINES—Automobile bodily injury and property damage rates by mutual and non-conference companies are undergoing some changes in Iowa with several companies cancelling recent increases. While conference company rates have been unchanged, they like the non-conference companies are watching experience closely. Several of the non-conference companies still report present rates as not satisfactory.

The non-conference companies attempted to adjust their rates upward last February, and many jumped to within 10 percent or less of the conference rates. However, the adjustment was not carried out fully by all of the companies and as a result many have dropped their rates again.

Reduce Farm Car Rates

One of the most noticeable trends has been lower rates adopted for farmers, by Iowa Mutual Liability, with a reduction to \$10 for \$5,000/\$10,000 liability and \$5,000 property damage in rural towns, a \$2 drop.

Allied Mutual Casualty of Des Moines also has reduced its rates on farm cars from \$12 to \$10. Employers Mutual Casualty, which did not increase its rates recently, is now selling the same for \$10, \$7 for \$5,000/\$10,000 bodily injury and \$3 for \$5,000 property damage.

Small Town Situation

The A-1 conference company rate for a small town is \$15.75 and with the safe driver deduction amounts to \$13.39. In comparison, the Employers Mutual Casualty rate is \$14 and the Allied Mutual \$12. However, the Allied Mutual has eliminated A and B differences, previously having a B rate for business cars and an A rate for private passenger cars.

The conference company A-1 rate for Des Moines is \$21.75 minus the safe driver making it \$17.49 which compares again with \$19 rate by Employers Mutual and \$18 for Allied Mutual.

Defense Worker Big Problem

The companies will watch the experience cards closely before making any further changes. One of the principal problems, as reported here, is over the defense worker. Some companies contend his rate should be increased while others maintain the rate on this class will have to remain in line with other drivers. Experience on defense workers already shows an upward trend on accidents which is causing concern.

Employers Mutual reported that in all the states it serves the total number of accidents have dropped off, with personal injury claims off 22 percent in June over last December while property damage claims were 35 percent off. However, it was pointed out that total amounts paid on property damage are probably up because of increased costs for repairing automobiles. It reports a large decrease in accident claims in Iowa with Nebraska, Kansas, both South and North Dakota and Maryland down while in Illinois and Minnesota and some of the other states the losses are nearly the same or up.

Anxious to Settle Claims

It is interesting to note that some of the automobile companies are anxious to settle all claims as soon as possible under the present conditions. This is particularly true where there are old cases in court in which the jury question is involved. Witnesses are fast disappearing and money values are rapidly changing. Prices of materials and labor are going up and courts as well as juries have changed their ideas of money values, particularly as applied to human life and personal injury.

"Why Disability Insurance is a Good Investment for You" cost only 23 per 100. Order from The National Underwriter.

ACCIDENT AND HEALTH

Provident Extends Auto Policies to Cover All Travel

To counteract the cancellations of automobile accident policies, which have become increasingly frequent of late, Provident Life & Accident has extended the coverage granted under those policies to include protection against accidents occurring on the principal types of public transportation, including regularly licensed passenger carrying airplanes, without additional premium. It is stipulated that the extended coverage, effective with August renewals, is only for the year covered by the renewal. A similar endorsement will be added to new automobile accident policies written hereafter.

Cover Transportation Changes

With the greatly decreased use of automobiles, auto owners are now using other forms of transportation and it is felt that they should be covered in the course of that transportation, which replaces that for which the policy was originally taken out.

The Provident has four forms to which the extension will apply. The medical expense coverage provided in its policies is on an allocated basis.

Irwin Mid-Western Supervisor

Elmer M. Irwin of Arthur, Ia., has been appointed accident and health supervisor of Mid-Western Casualty of Des Moines. Mr. Irwin, who has operated his own agency for six years, will supervise and train accident and health agents for the company through Iowa.

Sterling's New Agency Department Program Arranged

Paul S. Fisher, manager of the newly established agency department, and J. L. Rosenstein, director of agencies for Sterling of Chicago, have been preparing a program of coverages for agents.



Paul S. Fisher



J. L. Rosenstein

The typography and phraseology of these new policies is most attractive.

The policy program will include a full coverage policy for accidents and sickness including a principal sum for accidental death and dismemberment and double indemnity while confined in a hospital. The policy covers diseases of women after the first 12 months and covers all war hazards except direct enemy action. It is called the "Victory" policy.

Other features of the program are family group hospital coverage, family group life, non-occupational coverage, "spot cash" life insurance as well as wholesale and franchise group plans

which can be sold to groups of employees including labor unions.

Classification and rating have been simplified. Classified policies have only two rate schedules; one for male risks in preferred occupations and the other for employed women and for men in all other occupations except hazardous.

Two types of agency contracts will be offered: one for resident agents who prefer to service their own renewals and another for soliciting agents who prefer that renewals be handled by mail from the home office.

Sterling has become well known through its nation-wide radio programs. Agents will derive the full benefit of the leads developed by radio and direct mail advertising.

MacRae Named Head of Des Moines Association

DES MOINES—Alec M. MacRae, Travelers, was elected president of the Des Moines Accident & Health Underwriters Association at the meeting to effect a permanent organization.

William Xanders, Inter-State Business Men's Accident, was elected vice-president; L. J. Myklebust, Northern Life, secretary, and Ralph E. DeMaris, Columbian National Life, treasurer.

Members of the executive board are Harold E. Eckey, Inter-State Business Men's; Chris F. Keller, Continental Casualty; Leroy W. Secor, Washington National; Curtis Lamb and E. H. Snow, Aetna Life, and James Hulse, Monarch Life.

A temporary organization was effected some weeks ago, with John Kimball, Mid-Western Casualty, serving as president until the permanent staff was selected.

The organization has 53 charter members including several from nearby cities. The Des Moines association will take in members living within 50 miles

of Des Moines. It will start holding monthly meetings in September.

"Victory" A. & H. Form Is Issued by Continental

Continental Casualty has just announced a new "Victory" accident and health contract which is a non-occupational form written on an individual basis.

In a unit of \$100 monthly indemnity, it pays \$100 monthly for 12 months from first day for injuries incurred when insured is off duty, monthly indemnity for six months from the eighth day when confined by sickness and one month at the full rate when not confined; doctor bills up to \$25 for treatment of off duty nondisability injuries; \$50 to \$250 lump sum of operation schedules for off duty injuries. Principal sum is \$500 and specific sums \$1,000 to \$2,000 for loss of both hands, or both feet and so forth.

It was designed to complete the full 24-hour cycle of protection for workers, who while on duty are covered by workmen's compensation insurance.

Principal sum or monthly indemnity is payable for loss sustained while riding as a fare paying passenger in an airplane of a common carrier on established time schedule and route.

Issued to Men and Women

The policy will be sold to males ages 16-59, and also to females ages 16-54 who are employed at a salary away from their homes and entirely dependent upon their own earnings for a livelihood.

A rider may be attached providing for payment of sickness indemnity from first day of total disability and medical treatment by increasing monthly premium rate 50 percent. The company does not wish to issue this rider on male risks over 49 or to any female risks. Premium rates per \$100 monthly indemnity and \$500 principal sum are: Males annual \$27.50, monthly \$2.50, ages 16-49,



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ation forms and handy, pocket-size rate cards that many agents have declared to be invaluable.

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and females ages 16-44, the same rates per unit of \$90 monthly indemnity and \$500 principal sum. These rates are increased 50 percent for men ages 50-69 and women 45-54. Additional principal sum of \$500 carries a premium of \$1.20 annually and 10 cents monthly.

New Hospitalization Plan Is Offered in N. J.

NEWARK—A new non-profit hospitalization plan to provide medical and surgical services to subscribers, while allowing them to choose their own physicians, is being offered through the facilities of the Hospital Service Plan of New Jersey. It has been approved by the Medical Society of New Jersey and is under the supervision of the state insurance department.

Scheduled benefits up to \$150 for medical and surgical care in semi-private accommodations of any approved general hospital in the state are provided under the plan for specified illnesses that require hospitalization. Surgical benefits are available regardless of the number of hospital admissions required in the contract year and medical benefits are allowed in cases requiring more than three days' hospitalization, provided that 21 days have not been used in a contract year.

An individual subscriber pays 75 cents monthly and subscriptions covering all members of the family, regardless of the number of children, cost \$2 monthly.

Enrollment will be available in each county where at least 51 percent of the licensed physicians have agreed to participate. More than half the physicians in the state have approved the plan but the required proportion has been met to date in only nine of the 21 counties.

Watch U. S. Health Move in Neb.

LINCOLN, NEB. — Accident and health men are watching with interest a federal government sponsored cooperative health unit that is being organized in Hamilton county, as it is the announced purpose to use the statistical data from this district as a basis for other public health programs throughout the country after the war. The necessary funds have been earmarked by the U. S. Department of Agriculture for financing the experiment. While primarily designed for the benefit of farmers, it is admitted that it will be essential that all other income groups join the association.

It will provide essential medical, surgical, hospital, prescription and limited dental care. A former life insurance agent is in charge.

Danziger Named in San Antonio

Sol Danziger, who has been a successful personal producer in the health and accident field in San Antonio, has been appointed general agent there for the accident and health department of Franklin Life, with offices in the Insurance building.

A. & H. Kit Is Improved

A new and improved edition of the United States Life's A. & H. working kit has been released. The company placed emphasis on "workability" and simplified its contents to bring about a more convenient and efficient presentation of policies and related material. Through the use of a pocket arrangement and a preceding page devoted to an analysis of coverages each policy is presented as an individual unit. The pocket of each unit contains a miniature specimen policy, application and related sales literature.

In addition to a resume of the A. & H.

portfolio the kit contains a series of practical A. & H. selling talks on the various policies as well as a supply of blank memo sheets. The kit can be kept up to date at all times. New material produced will be forwarded to the field "slot punched" along the binding edge for insertion into the plastic binding.

Medical Plan in Manitoba

WINNIPEG—Legislation authorizing complete medical insurance for residents of Winnipeg has been passed by the Manitoba legislature. It will be operated under the auspices of the Manitoba Medical Association and the Winnipeg Medical Society and is expected to get under way in September. Two plans will be available, one for complete medical service, the other for surgical services only. Both plans are applicable to employees with yearly incomes of \$2,500 or less, but those earning above that amount can be included in the plans by arrangements for a coverage fee. Members of families of employees are included. Complete medical service will be provided for \$1.50 a month for husband or wife, \$1.30 for wife or dependent over 19 and 80 cents for each unemployed dependent under 19. Under the surgical service plan the payment will be 50 cents for husband or single employee; \$1.25 for employee and wife and \$2 for employee, wife and child under 19.

Industrial Casualty Audit

Assets of Industrial Casualty of Bloomington, Ill., a company that writes personal accident and hospitalization insurance, amounted to \$123,670 at March 31, 1942, according to an examination by the Illinois department. Surplus to policyholders was \$111,507. H. L. Loomis is president and Walter Stiegelmeier is secretary. It operates in Illinois and Indiana. H. L. Loomis, Inc., is exclusive general agent. For the first three months total income was \$60,347 and disbursements \$48,832. First year premiums received during the first three months amounted to \$22,270 and commissions paid were \$10,906 or a ratio of 48.7 and premiums collected for renewed business were \$37,110 and commissions \$11,133 or a ratio of 30.

New Minn. Medical Care Plan

ST. PAUL—A new medical care plan has been put into effect in Minnesota by Group Health Association, a non-profit organization formed four years ago by city, county and postal employees. The service, however, is open to the general public.

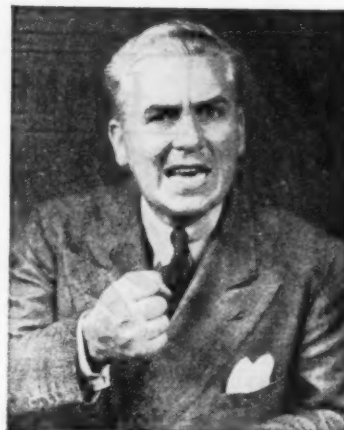
Any group or individual in the state may insure medical care from his personal physician up to \$75 per family a year at a cost ranging from \$1 to \$3.50 per month for family heads. The family taking out the protection must spend \$15 of its own money in doctor bills before it is entitled to get aid from the association.

Barry Is Portland President

PORTLAND, ORE.—The Portland Accident & Health Managers Club has elected J. E. Barry, Occidental Life, as president. Henry L. Carleton, Fireman's Fund Indemnity, was elected vice-president, and will also serve temporarily as secretary-treasurer. Directors are E. J. Knutson, California-Western States Life; H. E. Witham, Federal Life, and J. W. Martin, Loyal Protective Life.

A special committee has been named to organize a new association, membership of which is intended to include all accident and health salesmen in the city. It includes Mr. Carleton, William Dunkak, Travelers, and F. A. Tatum, Pacific Mutual Life.

San Francisco offices of Accident & Casualty are being moved from the arcade floor of 114 Sansome street to the 10th floor of the same building. W. G. Cannon, who became manager June 1, is having the new offices specially laid out for greater facility in handling business.



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COMPENSATION

Compensation Rates Cut 4.9 Percent in Indiana

INDIANAPOLIS—The new schedule of workmen's compensation insurance rates for Indiana, effective July 1, makes an average reduction of 4.9 percent. This is the eighth consecutive year in which the average rate level has been reduced. The current rates are 41.4 percent below those effective prior to July 1, 1935. Since then the average, percentage reduction has been: 1935, 0.7 percent; 1936, 7.4 percent; 1937, 14.9 percent; 1938, 7.2 percent; 1939, 2.5 percent; 1940, 8.5 percent; 1941, 5 percent. Throughout the seven years there have been no reductions in benefit schedules while there has been some liberalization.

In 1935 experience was reported on 18,000 policies, in 1939 29,000 and in 1940, the last year for which a complete record is available, more than 30,000.

Oppose Interstate Rating

NEWARK—Interstate rating of compensation risks is opposed by the New Jersey Association of Insurance Agents, on the ground that "it reduces agents' commissions to an unwarranted extent and without comparable reductions in the net amounts retained by the companies."

Sees Loss Ratio Continuing High

LANSING, MICH.—John W. Gibson, chairman of the state department of labor and industry, fears the workmen's compensation loss ratio will continue high during the present war industry situation. He said 1942 plant accidents already have claimed more than 100 lives and left nearly 750 workers permanently disabled. He says his department needs more assistance, as the present inspection staff of 22 members must check up on some 7,000 establishments in the state. About 8,000 inspections have been made, involving 3,000 corrective orders, so far this year.

Take Poll on Holding Parley

Whether the annual meeting of the International Association of Industrial Accident Boards & Commissions will be held this summer at Harrisburg, Pa., hinges on the result of a canvass now being made of members. Members administer the compensation insurance laws in their respective states.

California Rate Hearing July 21

A public hearing on proposals for rate changes in workmen's compensation insurance has been called for July 21 in San Francisco by Commissioner Caminitelli.

John M. Kerner, a lawyer, has been appointed deputy compensation commissioner of New Jersey. He will hear compensation cases.

Harry Johnson, San Francisco surety special agent of United States Fidelity & Guaranty, is recovering from a serious operation and is expected to be able to return to his office about Aug. 1.

SURETY

Recover \$10,320 from Stock Brokers

LINCOLN, NEB.—American Surety has been given judgment by the Nebraska supreme court for \$10,320 against Smith, Landeryou & Co., Omaha stock brokers. Harold G. Gould, in charge of the placing of insurance for the Fairmont Creamery Company of Omaha, represented on four different occasions to the cashier and company officials, that it owed Smith, Landeryou & Co., described by him as insurance brokers, and caused checks totaling \$10,320 to be issued to them. The brokers accepted the checks and sold securities to Gould. When the fraud was discovered the surety company made good the defalcation, and sued the brokers.

The district court held that the creamery officers were derelict in not ascertaining whether the brokers were insurance agents when they signed the checks, but the supreme court says that as the brokers had the legal duty of inquiring as to the authority of Gould to make such use of the checks, as the creamery owed them nothing and had no dealings with them. Having failed to make an inquiry that would have disclosed the facts, they cannot claim to be holders in due course of business. Even though they were not guilty of moral turpitude or intentional wrongdoing, the court says they had no rights or equities that would bar the surety company from recovery even though it was compensated surety.

County Must Pay Premiums

OMAHA, NEB.—District Judge Fitzgerald has ordered the Douglas county board to pay the premiums on surety bonds given by county officers and employees. The law says that the board "may" pay these premiums. The court holds that the word "may" means "must," especially in view of the fact that another section of the law requires the board to draw warrants in payment of such premiums.

The county board voted 3 to 2 against appealing the decision. Formerly the employees paid premiums out of their own pocket.

Tighten Up on Personal Bonds

LINCOLN, NEB.—State Auditor Johnson has sent a letter to county boards asking that in the future where personal bonds are tendered by county employees that a financial statement should be required of each signer. Mr. Johnson has charge of the periodical examination of accounts of all county officers and employees, and says that in spite of the legislative policy that bonds of this type should be purchased from surety companies. County boards are accepting in considerable numbers personal bonds tendered in order to save the premiums.

Ill. Liquor Bonds Reduced

The Towner Rating Bureau has reduced the premium on liquor importing

distributors' and manufacturers' license bonds in Illinois from \$16 per \$1,000 to \$12. These bonds guarantee the payment of state liquor taxes. The new premium is the same as has been charged by the non-conference companies heretofore.

COMPANIES

Honor Bituminous on 25th Year

H. H. Cleaveland, president of Bituminous Casualty, was honored by Mayor R. P. Galbraith and J. J. McCarthy, postmaster and Chamber of Commerce president, at Rock Island, Ill., on the company's 25th anniversary. The city officials called on President Cleaveland and presented letters of appreciation. The mayor stressed that Bituminous last year wrote more workmen's compensation premiums in Illinois than any other company.

Home office employees presented President Cleaveland a large bouquet.

H. H. Cleaveland when he attained age 21 in December, 1890, revived the insurance agency of his father and grandfather, Hayes & Cleaveland, established in 1868, and began to specialize in writing employers liability insurance. When the workmen's compensation law became effective in Illinois, about 1915 Mr. Cleaveland found coal operators of the state were having difficulty getting compensation insurance because of the great hazard. The late H. W. Cozad had entered the agency as bookkeeper after banking experience and with Mr. Cleaveland became interested in the problem of writing coverage on coal mines. They formed the Mine Operators Workmen's Compensation Exchange July 1, 1917, progenitor of Bituminous Casualty. Out of this small concern has grown a company with about \$10,000,000 assets and \$2,000,000 surplus.

Changed to Stock in 1928

The name was changed to Bituminous Casualty Exchange in 1919, and in 1928 it became a stock company. Three of the original policyholders, M. E. Case, Peoria, Ill., H. M. Gilchrist, Davenport, Ia., and C. A. Williams, Oskaloosa, Ia., now are directors.

Until 1933, Bituminous insured only coal mines, then it entered the general compensation field. In 1941 the charter was amended to permit writing burglary,

health, personal accident, automobile and other casualty and surety coverages.

Mid-Continent Mutual of Milwaukee to Be Liquidated

MILWAUKEE—Circuit Judge Breidenbach granted the petition of the Wisconsin department for permission to liquidate Mid-Continent Mutual of Milwaukee, which was held to be insolvent. The mutual which was organized in 1939 to write substandard risks, specialized in insurance for motorists whose drivers' licenses were taken up after being found guilty of violating traffic laws or involved in accidents.

Company Resists Action

The court said a study of the testimony caused the belief that the interests of policyholders and creditors alike would be best served by liquidation. Officials of the mutual had testified the company could survive and had begun to show some profit recently, but counsel for the department had argued for liquidation. The court ruled that the company's liability on all policies terminated June 17, the day when the department sent its chief actuary, John R. Lang, from Madison to take over the company. Judge Breidenbach directed that all claims against the company be filed within 60 days. He also directed that H. L. Mount, vice-president and counsel of the mutual, be retained by the department to assist in liquidation because of his special knowledge of the company's affairs.

Frank T. Boesel, attorney for Commissioner Duell, pointed out the mutual's own statement showed it had a deficit of \$15,000 as of May 30. Mr. Lange testified the mutual is in a "very hazardous financial condition and should be liquidated." He added that earned premiums since 1939 totaled about \$177,000, and that the loss and expense ratio was 123.



OUR PRESIDENT IS "OFF TO THE WAR"

We announce with great pride that J. R. Plummer, president of Commercial Standard, has been granted leave-of-absence so that he may serve in our country's Army Air Force.

He reported to Officers' Training School on June 24.

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CHANGES IN CASUALTY FIELD

Chicago Changes Made by Hartford A. & I.

W. Harold Rutherford has been advanced to general attorney for Hartford Accident in Chicago. His former position was that of claims attorney. Mr. Rutherford has been with Hartford for more than 20 years. He started in the claim office in the western department after graduating from the University of Chicago. He was later transferred to the home office and returned to Chicago in about 1930.



W. H. Rutherford

After 27 years of service with Hartford Accident, A. V. Cornell, supervisor of the payroll audit department in Chicago, has retired. He will be succeeded by Gilbert I. Kilgour.

Mr. Cornell joined the company in 1915, when the auditing force consisted of one member. It now numbers 24. He is widely known as a teacher and pioneer in his field.

Mr. Kilgour has been with Hartford for 19 years. He started with the home office in 1923, and went to the western department for a brief time in 1940. He has since been in Baltimore and Philadelphia.

Burton With Ohio Casualty

Morris Burton has joined Ohio Casualty in its eastern department at Philadelphia.

Stout Named as Field Assistant by Hartford

Edward B. Stout, Jr., has been appointed field assistant in the home office agency department of Hartford Accident. He joined the company 13 years ago as fidelity and surety special agent at Louisville. In 1934 he was



EDWARD B. STOUT, JR.

transferred to Nashville as special agent in charge of Tennessee. Before going with Hartford Mr. Stout was with Standard Oil of Louisville and acted as special agent in western Kentucky for U. S. F. & G.

Born at Bowling Green, Ky., Mr. Stout was educated at Ogden college, at the same time assisting his father, who had a local agency at Bowling Green. J. C. Hullett, assistant manager Hartford Fire at Chicago, also began his insurance career in the Stout office. He served as first president of the Casualty & Surety Association of Tennessee, organized in 1941.

Philadelphia. Mr. Burton will supervise the underwriting of comprehensive liability and special risk coverages and will assist agents. Mr. Burton was chief casualty underwriter of Manufacturers Casualty for many years.

A. H. Turner Named Standard S. & C. Manager

Standard Surety & Casualty, now a member of the Aetna Fire group, has appointed as manager of its southeastern department in Atlanta A. H. Turner, who for years has been manager of the southern department of Standard of New York. Associated with Mr. Turner's organization in the development of casualty and surety business is James E. Tumath, who for years has had a wide and specialized experience in these classes of business throughout the southeastern states.

Hartford Accident Ia. Change

E. T. Smith of Des Moines has resigned as special agent for Hartford Accident in the central Iowa territory to enter the general agency business. He has been with Hartford Accident in the

west since about 1934 and prior to that was in the liability department at the home office.

Mr. Smith's territory is being divided between the other two Iowa special agents, Sol T. McInerney of Des Moines, who has been handling the western portion of the state, and Marsden Knowles of Cedar Rapids who has been handling eastern Iowa.

PERSONALS

J. Gano Wright of the Wright & Co. agency, Cincinnati, celebrated his 50th consecutive year as agent for Standard Accident at a luncheon given by his friends. E. K. Welch, Cincinnati manager of Standard Accident, presented him a plaque from the home office.

Before starting his agency in 1892, Mr. Wright was a fire special agent for a short time. He is now 86 years old and still quite active.

H. A. Behrens, president Continental Assurance of Chicago and chairman of Continental Casualty, is spending the summer at Sun Valley, Ida.

John Egloff, head of the Travelers casualty school, Hartford, has just received a Christmas card from Henrick Falkman, superintendent of agencies of the

Scandinavian Insurance Companies, Ltd., Stockholm, Sweden. The card has been in transit for about six months. A few years ago Mr. Falkman visited head offices of several United States companies.

Vice-president W. E. Krafft of Continental Casualty, head of its surety department, is in Seattle, making a trip on the Pacific Coast.

Continental's Claim Convention

The Continental Casualty's claim convention has been shifted from the Stevens Hotel to the Drake hotel in Chicago, owing to the former being taken over by the government. Dates have been set for Aug. 13-14. It so happens that the Continental Assurance life convention is being held in the same hotel Aug. 13-15.

Discusses Alien Enemies

LOS ANGELES—Clyde P. Harrell, Jr., claims attorney in the Los Angeles city attorney's office, told the Casualty Insurance Adjusters Association about methods of handling alien enemies.

The next meeting will be the joint annual affair with Insurance Post, No. 513, American Legion, California Blue Goose, and the Southern California Fire Underwriters Association.

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Sale of War Cover Continues at Lively Pace

(CONTINUED FROM PAGE 1)

owned by a Japanese national, was an emphatic "No."

A fire company department head said that he frequently had longed in the past to see his desk covered with applications with checks attached. Now he is working night and day and Sundays on war risk applications and his desk is loaded with applications with checks attached.

The United Press sent out a story the other day to the effect that the War Damage Corporation has assented in principle to coverage on money and securities. All that remains to be done is to work out the details for the insurance. According to the U. P. report, the cost of the insurance would be 1 or 2 cents per \$100. It states that F. A. Christensen, executive vice-president of the WDC, has been conferring with representatives of surety companies on the plans and that discussions will be held with representatives of banks and other financial institutions.

War damage insurance has been secured upon "vulnerable properties" by most of the railway systems, it being recognized that the enemy would make a determined effort to damage railway terminals, warehouses, repair shops and the like, as well as vital bridges and trackage. Months ago when the formation of an insurance program by the government was in the making, railway insurance experts were asked to recommend rates for such coverage in five designated zones. This was done, the rates varying in accord with the measure of probable exposure. The final decision, however, was to charge a uniform rate for railway properties the country over. The rate for trackage and road bed insurance is 10 cents with the 50 percent coinsurance clause, 7 cents if 80 percent is used, 6½ cents for the 90 percent clause and 6 cents for 100 percent coinsurance.

The first state to seek to make the writing of War Damage Corporation policies conform strictly to the state insurance laws is Tennessee. Commissioner McCormack has made a ruling that WDC policies covering property in Tennessee must be countersigned by a licensed resident agent in Tennessee. At the same time, Mr. McCormack stated that he will not seek to require WDC to be licensed as an insurance company in Tennessee. The countersignature, he ruled, must be by a regular Tennessee agent of the fiduciary agent that issues the policy. Mr. McCormack makes no reference to the paying of commission to the countersigning agent. The nonresident agency law of Tennessee requires that the local resident agent must receive the full commission usually paid on business of the same class in Tennessee, but there is no restriction as to the amount of commission that the countersigning agent must retain for his own account. The annual license fee for a nonresident broker is \$25, but Mr. McCormack apparently is not insisting that nonresidents writing WDC policies covering Tennessee risks become licensed as nonresident brokers in Tennessee.

There is no provision in the WDC policy or setup for countersignature by a resident "producer." If the fiduciary agents comply with this requirement in Tennessee, it is probable that they would first put the policy into effect in accordance with ordinary routine and then send the policy out to a Tennessee agent to be countersigned.

FOLLOW U. S., NOT TENNESSEE

NEW YORK—In the absence of instructions from the management of the War Damage Corporation to the contrary, companies are handling applications for coverage upon Tennessee property upon the same basis as that located elsewhere. War damage indemnity, they feel, is a government proposition and not amenable to the state regulations applicable to general insurance protection. If Tennessee or any other state challenges the practices protest

must be made to Washington authorities and not to the companies, managers assert.

ATLANTA COMMITTEE NAMED

ATLANTA—The S. E. U. A. has named a committee to give war damage cover interpretations in this territory. The representatives for fire insurance are: R. W. Michael, vice-president Fireman's Fund, and Caspar S. Whitner, associate manager Hartford Fire; for inland marine, T. G. Linthicum, America Fore, and ocean marine, Carlton Hughes, North America.

BLACKALL MAKES SUGGESTION

HARTFORD—Declaration by the War Damage Corporation that every enlisted man of the United States Army, Navy, and Marine Corps, and

all the equipment of the fighting forces is at present "engaged in repelling an enemy attack" has been suggested by Commissioner Blackall of Connecticut as a ready means of dispelling certain ambiguities and uncertainties in the present contracts covering payments of war damage claims.

Mr. Blackall's suggestion was made at last week's conference of commissioners, insurance executives, agents and brokers in New York City, to discuss the question of where coverage by private insurance carriers ends and that of the WDC begins.

Loopholes in the present setup, such as the failure of the WDC policy to state specifically what liability exists in the case of a U. S. Army plane's crashing into insured property while not engaged in actual combat, and whether such liability, if any, would be borne by the WDC or by private insurance companies, were discussed at length at the conference, the consensus being that further amplification of the

policy as at present written was essential to the effective working of the system. Those attending the conference felt it probable that the WDC would issue clarifying regulations during August, after the initial stampede of policies has been taken care of.

Other matters discussed at the conference included damage resulting from sabotage, not covered by the present war damage policy, and loss of rentals from destruction of property, as for example, the loss of monies resulting from the blowing up of a toll bridge by the enemy. The WDC policy fails also to take account of such losses.

A majority of those attending last week's meeting were inclined to interpret the present WDC policies fairly liberally, pending the expected rulings which will clarify the situation more positively.

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(CONTINUED ON PAGE 31)

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INSURANCE NEWS BY SECTIONS

MIDDLE WESTERN STATES

Mich. Agents Plan World War Forum

LANSING, MICH.—Wartime problems will be discussed exclusively at the Michigan Association of Insurance Agents convention at Mackinac Island Sept. 4-5, according to plans developed by the officers and executive committee.

The meeting is to be called the "World War Insurance Forum" and the main topics of discussion will be war damage insurance; automobile insurance rates and other problems arising out of the war in that line; the new war injury accident policy; workmen's compensation problems in war materials production, and fire and accident prevention.

U. S. Senator Prentiss Brown, whose home is at St. Ignace, within sight of Mackinac Island, will address the dinner meeting Sept. 4, and Walter H. Bennett, National association general counsel, will speak at the Saturday luncheon. Other speakers will be Capt. Don S. Leonard, commander of the state's civilian protection services, and H. E. McClain, secretary-manager of the Indiana association and former commissioner of that state.

The convention will start Friday morning with sessions of the executive committee, automobile insurance study committee and the insurance advisory committee to credit men. The general session will start at 2:30 p. m. Friday, with the dinner "mass meeting" scheduled for 8 o'clock. There will be a business conference of the Upper Peninsula association at 9 a. m. Saturday morning, followed at 11 o'clock by a general session. The group luncheon that day will close the meeting. As Labor Day is the following Monday, it is expected many delegates will stay over on the island for the week-end.

No definite transportation arrangements are being made by the association but the island is accessible by Great Lakes steamers from lower Michigan ports, and by trains and buses to Mackinaw City, with half-hourly service by boat to the island from that point. A number of share-the-ride groups are already being organized to motor to the convention.

District Meetings in Illinois Are Successful

The 20 district meetings held throughout Illinois during June under auspices of the Illinois Association of Insurance Agents were very successful and agents' comments indicate that they got a lot of good from them. Many new members of the association were secured. The Decatur district has not yet held its meetings.

Program for the majority of the meetings consisted of an analysis of the coverages needed by the "Imaginary Cleaning and Dyeing Company, Inc." Facts about the business were shown, and then each coverage was discussed.

A typical program was the one at Libertyville. With Otto Boehm, local agent, presiding, Paul Schminke, special agent of American of Newark, discussed the fire and marine coverages, and John B. Roach, superintendent of the Aetna plan—department of Aetna Casualty, Chicago, discussed the application of casualty, surety and allied lines. A discussion followed each presentation, and many questions were asked. A similar meeting was held at Ottawa with John M. French presiding. Leo N. Davis, state agent North America, and H. R. Thiemeyer, manager Chicago

service office of that company, handled fire and marine, and Mr. Roach the casualty lines.

Minnesota Regional Study Courses Highly Successful

MINNEAPOLIS — The educational lecture course which the Minnesota Association of Insurance Agents has been sponsoring for its regional associations the past six months is practically completed and association officials are satisfied with results. Sixty lectures have been given by 12 field men with an average attendance of 20 agents, making a total of 2,400 study hours. Every section of Minnesota has been covered.

One of the last of the lectures is dated for July 16 at Itasca State Park where Kenneth Hingst, American of Newark, will talk to the Lake Region Agents Association on the mechanics of company operation.

It is planned to resume the lecture course next fall and winter. The educational course of the National association is now being studied by Howard Williams, Mankato, chairman of the state educational committee, and members of the executive committee.

Wisconsin Agents Decide to Go On with Convention

MILWAUKEE—Members of the executive committee of the Wisconsin Association of Insurance Agents meeting here decided to proceed with plans for the annual meeting at the Hotel Schroeder here Sept. 17-18. President August Lutze, Sheboygan, said it was felt that the activities of the local agents in providing protection, fire prevention work, and participating in civilian defense, have an important bearing on the war effort, while a state convention would not interfere with military transportation or burden travel facilities to any appreciable extent.

Since the annual fire and casualty short course had been cancelled by the University of Wisconsin school of commerce, largely because facilities at Madison are being used to a great extent for special military training courses, the association is planning another educational program. Chairman Grover Miller, Racine, will submit a suggested educational program at the state convention this fall.

War Damage Clinic in Madison

MADISON, WIS.—The Madison Insurance Board will furnish speakers to discuss and answer questions relative to war damage insurance at a clinic sponsored by the Madison and Wisconsin Foundation here, July 16. H. G. Marty, board president, said that due to the many war activities in the Madison area, the subject of war damage insurance is of greater importance here than to those residing in less active areas. The meeting is open to the insuring public and is expected to give property owners a better understanding of the problems relating to the new government insurance as well as the effect of war activities on policies previously in effect.

Can't Force Fire Equipment Pool

COLUMBUS—In an opinion to Ray R. Gill, Ohio state fire marshal, Attorney-general Herbert holds that the state defense council lacks authority to compel municipalities or townships to contract for interchange of fire fighting equipment during emergencies. Mr. Gill had been asked by the defense council to perfect a program for cities and townships to exchange men or equipment in

emergencies, such as aerial bombardment fires.

Mr. Herbert said damage to fire engines must be borne by the owners, but firemen injured outside their own districts would be entitled to workmen's compensation. Cincinnati, Toledo and Cleveland have been trying to work out a plan for the use of suburban fire-fighting equipment in emergencies.

Appeal Nebraska Tax Suit

LINCOLN, NEB.—Nebraska Hardware Mutual has appealed to the state supreme court from a finding by a district court that it must pay occupational taxes to the village of Axtell although it has no physical property or agent in the village. The district court held that because it has several policyholders in the village it is "doing business" there within the meaning of the law authorizing the levying of such taxes.

Ask Change on Estate Rule

LINCOLN, NEB.—The United States National Bank has asked the state supreme court to recede from its position that any person or corporation acting as trustee cannot charge against the trust estate the commissions it earns on insurance placed on property owned by it. The bank's attorneys point out that not only is this inequitable for the reason that if purchased elsewhere the estate would have had to pay the commission, the decision if it stands would penalize the hundreds of real estate agents who operate insurance agencies in connection with their primary interests and in all cases where they act for absentee property owners, since they are acting in a trust capacity. This raises the question of whether that would not violate the anti-rebating law.

List Two Minnesota Speakers

MINNEAPOLIS — John H. Egloff, Travelers, and Fred Westervelt, Jr., of the Business Development Office, have been secured as speakers for the annual meeting of the Minnesota Association of Insurance Agents at Virginia Aug. 13-14. Two other speakers, not yet announced, will complete the program.

The two-day meeting will open Aug. 13 with a golf party and get-together dinner that evening. The main program will be held the following day, with the annual dinner and installation of new officers in the evening.

Howard Williams, Mankato, chairman of the educational committee, will report on plans for educational work the coming fall and winter.

Mo. Figures Show Auto Decline

ST. LOUIS—George Metzger, Missouri state oil inspector, estimates that 30 percent of the 10,000 gasoline filling stations in the state have quit business since Jan. 1, and gasoline tax receipts for May were 19 percent less than for that month in 1941.

Sale of the annual federal automobile use stamps in St. Louis and St. Louis county totaled only 200,284 as of July 9, compared with 263,479 of those sold from February to June. Stamp sales in the eastern half of the state have been about 20 percent below the February-June total.

Michigan Fire College in Session

ANN ARBOR, MICH.—At the annual Michigan Fire College here this week special emphasis is being given civilian defense. A number of insurance men are taking part. R. C. Loughhead, chief engineer Michigan Inspection Bureau, Detroit, is on the committee and Harry K. Rogers, Western Actuarial Bureau, Chicago, is director. Richard E. Vernor and J. Burr Taylor, Western

Low-Flying Plane Causes Turkey Loss in Minn.

WASECA, MINN.—Rain storms and blizzards are not the only hazards that cause Minnesota turkey growers to take out insurance. A few days ago an airplane flying rather low so frightened a flock of young turkeys on the Emil Kraske farm, near Waseca, that they huddled in a corner of the yard and 274 of them were suffocated.

Actuarial Bureau, Chicago, spoke, the former on "Mobilizing the Public" and latter on "The Fire Service Expands." Mr. Taylor will also speak Thursday morning on "New Responsibilities for the Fire Inspector During the War Emergency." A. T. Babbitt, Michigan Inspection Bureau, Detroit, discussed electrical fire hazards and at the final session on Friday C. J. Koskinen, assistant engineer Underwriters' Laboratories, Chicago, will speak on "Flame Extinction."

Educational Rally at Hiawatha

Henry J. Weltmer, Jr., Hiawatha, local agent, presided at the educational meeting at Hiawatha, Kan. There were 28 in attendance. Atchison, Kansas City, Kan., and Hiawatha were represented. Carl E. Smith, general chairman of the educational committee, was in charge of the panel discussion on war damage insurance. A. B. Keith of Hiawatha and Nelson C. Greenlund of the Atchison, local agents, were on the panel together with Clad Marshall of the Springfield and Byron R. Ward of the Glens Falls.

St. Paul Women Break Even

ST. PAUL—Mrs. Fern Harrington, chairman of the general committee that handled the recent national convention of insurance women at St. Paul, reported that the St. Paul club about broke even on the financial end of the meeting.

Extension Course Cost Up

LANSING, MICH.—Most of the Michigan Association of Insurance Agents correspondence course, an extension service of the University of Michigan, has been increased from \$7 to \$12. W. O. Hildebrand, secretary-manager, announces.

Mr. Hildebrand explained that the higher cost is made necessary by withdrawal of WPA assistance which formerly held the cost to a point actually \$1, lower than the cost of marking papers. H. Thompson Stock, Detroit agent and university instructor, has been highly commended by university authorities for his conduct of the course, which some 700 persons have taken since its inception in 1940.

Heavy Flood Damage in Mo.

The recent flood along the Missouri river between Boonville and the junction with the Mississippi and high water on other streams did an estimated \$14,000,000 damage to crops and livestock. Some of the wheat was insured in the Federal Crop Insurance Corporation.

Air Raid Precautions Ordered

Governor Ratner of Kansas has ordered that proper air raid precautions be taken at the capitol building in Topeka and has ordered State Fire Marshal Werbe to make an inspection of all state buildings for fire hazards. Kansas does not carry insurance on any of the state properties.

Scott Berridge, local agent of Holton, Kan., and Kansas commander of the American Legion, has been appointed assistant director of the Kansas Defense

Council to assist Governor Ratner, head of the council. The entire civilian defense organization is soon to be revamped and the program intensified. A chief coordinator is to be appointed.

New Michigan Reference Manual

LANSING, MICH.—The Michigan Association of Insurance Agents is making available to all agents, companies or others interested a new Michigan reference manual. It includes a complete revision of the license qualifying examination questions and answers, prepared in 1940, and also covers the insurance code, rules and regulations of the department, and a new section dealing with accident and health lines. The manual contains more than 100 pages.

Peoria Agents' Outing

The annual field day of the Peoria Association of Insurance Agents was held Wednesday. This is always a big affair and is attended by agents, employees, field men and company executives. Quite a number of insurance people were in attendance from Chicago.

Wichita Women to Report

WICHITA—The Wichita insurance women who attended the St. Paul convention will report on the meeting, at the meeting of the Wichita Association of Insurance Agents this week. L. B. Brown will make a report on old age insurance. The nominating committee will bring in the slate for next year's officers.

Wichita Gets Kansas Convention

The annual meeting of the Kansas Association of Insurance Agents has been set for the Broadview Hotel in Wichita and will probably be held some time in September or early October with the Wichita Association of Insurance Agents as host. Wichita committees will be appointed immediately following the annual election of the Wichita association.

Charge for Fighting Outside Fires

ST. LOUIS—Municipalities of St. Louis county must pay a reasonable fee for the use of the St. Louis fire department's equipment in fighting fires outside the city that may result from enemy action during the war, the city counselor's office has held in an opinion to Civilian Defense Coordinator McBride. The opinion said the service charge must be made under existing city ordinances if the city's fire fighting equipment is used outside the city's limit. However, it was recommended that the ordinance be amended to permit free service in fighting fires caused by enemy action.

Manion Is Ploeser, Watts Partner

James S. Manion, nationally known golfer, and for 22 years with the Lawton-Byrne-Bruner agency, St. Louis, has been made a partner in the Ploeser, Watts & Co. agency there.

NEWS BRIEFS

Following the death of Willis E. Helmick of the Helmick & Moorehead agency, Zanesville, O., Tom V. Moorehead has purchased his interest.

The interest of the late H. A. Kollars in the Baker, Kollars, Davison Agency, Lima, O., has been purchased by Leroy Baker, who will continue the agency in the same name.

Wm. O. Dorsey, former manager of the Chippewa Valley Securities Co., has purchased the local agency of C. E. Stiles at Chippewa Falls, Wis. Mr. Stiles is retiring after 11 years in business to enter the U. S. army.

A 50-year gold medal has been presented by Home to Newell W. Pike, local agent at Mapleton, Ia., who started his insurance career at the age of 16. Participating in the presentation were E. H. Davis, state agent; C. S. Cathcart, state agent; M. E. Aegerter, special

agent, and A. N. Beim, special agent, all of Des Moines.

Miss Edna Ritz, who has been connected with the Bolen & Mills agency, Union City, O., has arranged to take over the business.

Following the death of A. F. Prakes of Versailles, O., the heirs have sold the agency to Carl A. Peschke.

V. E. Shine of Warren, O., has sold his agency to W. G. Abell.

Virgil Bumgarner of Waverly, O., who recently moved to Columbus, has transferred his agency to his father, C. C. Bumgarner.

T. S. George has sold the Hazzard-Mowry agency, Alliance, O., to Hilburn H. Blakley.

E. W. Brown has sold the H. H. Hulbert agency, Ashland, O., to C. J. Young.

V. E. Davis has sold his agency at Athens, O., to O. G. Houch. The K. R. Wilcox agency at Athens has been sold to D. M. Goddard.

The Diehm Insurance Agency, Barberton, O., has been sold to E. L. Prye, who will conduct it as Prye-Diehm Insurance Service.

A. H. Beck, Bethel, O., has sold his agency to the Eastwood Insurance Agency.

W. P. Lord, who some time ago took over the agency of J. D. Lord, Mt. Vernon, O., has sold it to C. N. Williams.

Following the death of H. S. McSaveney, London, O., L. H. King has taken over the business.

G. W. Harsh, agent at Minerva, O., has purchased the agency of the late W. A. Lewis.

Vera T. Schneider is now operating the agency of her father, W. A. Schneider, Osborn, O., who died recently.

The Fravel Insurance Agency, Plain City, O., has been purchased by S. S. Sharpe.

R. E. Roeder of Kenton, O., has sold an interest in his agency to Ralph Pugh.

The Belch agency, Columbus Grove, O., has been sold to Amos Goodwin.

George L. Telfer has retired from the Thompson & Telfer agency, Jewett, O. It is now being conducted by C. S. Thompson.

EAST

W. Va. Agents to Meet at White Sulphur Aug. 17-18

The West Virginia Association of Insurance Agents has set its annual convention for Aug. 17-18, at the Greenbrier hotel, White Sulphur Springs. Fred L. Summers, Parkersburg, president of the association, and Hubert A. Ellis, secretary-treasurer, are working out the program.

New Jersey Bar Group to Analyze Fire Policy

NEWARK — Because of the tremendous interest displayed in the various problems of the New Jersey standard fire insurance policy which has been in force for more than 50 years without change, the insurance section, through the fire insurance committee of the New Jersey Bar Association, plans to make an exhaustive study of the policy and make such recommendations as will benefit the public in general.

Samuel J. Foosner, chairman insurance law section, has appointed Edward Gaulkin, Newark lawyer, as chairman of the fire insurance committee. He is well known in the field of fire insurance law, having represented both company and policyholder since 1929.

Other members of the committee are: Albert A. F. McGee, Atlantic City; Judge Orlando H. Dey, Rahway; William Abbotts, Trenton; William R. Gannon, Jersey City; Harold McDermott, Freehold; David M. Klausner, Jersey City; David Stoffer, Newark.

N. J. Agents' Meeting

The annual meeting of the New Jersey Association of Insurance Agents at the Stacey-Trent hotel, Sept. 17, will omit most social activities, but there will be a golf tournament. Company men will be invited, they having been excluded at the semi-annual meeting in Newark. A number of pertinent topics will be discussed. There will be morn-

ing and afternoon sessions and a banquet. Alfred Christie of Bergenfield is president.

Maine Mutuals Elect

HALLOWELL, ME.—The Maine Association of Mutual Fire Insurance Companies has elected Louis A. Jack, secretary of the Maine Mutual Life of Lisbon, as president; A. M. Blake of Auburn, vice president, and A. L. Cummings of Portland, secretary-treasurer.

NEWS BRIEFS

Frank W. Eames, general agent in Boston of the Factory Insurance Association of Hartford, completing 40 years service with the company, was presented an inscribed wrist watch and his desk was covered with roses.

Percy C. Charnock, assistant manager New England Fire Insurance Rating Association and fire coordinator of the Massachusetts committee on public safety, has been appointed by Governor Saltonstall chairman of the state fire mobilization board, made up for the most part of fire chiefs.

SOUTH

Western Companies Name Rife

L. E. Rife, general insurance agency of Mobile has been appointed general agent of Western Fire and Western Casualty, & Surety of Kansas for Alabama and Florida. The Western companies have just entered those two states.

Scheibe With General Agency

Fred Scheibe, formerly a member of the George C. Eichlitz & Co. agency, San Antonio, has been appointed special agent of the Texas General Agency Company of San Antonio for south

Texas, with offices in the Mortgage Bankers building.

Florida Tax Totals \$1,420,289

TALLAHASSEE, FLA. — Commissioner Larson reports that insurance premium taxes and agents' licenses produced \$1,420,289 in the fiscal year ending June 30, of which \$1,315,810 was turned into the state's general revenue fund.

NEWS BRIEFS

At the final meeting of the season of the Insurance Women's Club of Oklahoma City, July 8, new officers were installed. Pauline Nelms is president; Margarita Beaver and Joyce Lindsey, vice-presidents; Betty Norwood, secretary; Ruby Crist, treasurer. Reports of the national convention were made by Pauline Nelms and Ritta Maloy.

Commissioner McCormack of Tennessee was one of the instructors in a civilian defense school for Gibson and adjoining counties at Trenton, Tenn.

Jack Pipkin, local agent, has been elected president, and Clinton C. Bradley, Columbian Mutual Life, secretary of the Memphis Junior Chamber of Commerce.

Fay Roberts, Decatur, Ga., agent, had to resort to "thumbing a ride" to get to the insurance school at the University of Alabama arranged for this week by the Alabama Association of Insurance Agents. Gasoline rationing interfered with Mr. Roberts making the trip by automobile as he has for the last four years.

James S. Overman has bought the Lee Clark agency, Cleveland, Okla.

The Pawhuska Abstract and Title Co. agency, Pawhuska, Okla., has been sold and is now under management of D. C. Howard. Ed Meyers was former manager.

The A. A. Green agency, Holdenville, Okla., has been purchased by F. T. Treadwell.

Mrs. Mattie A. Slader, Snyder, Okla., has taken over the agency of her late husband, F. E. Slader.

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PACIFIC COAST AND MOUNTAIN

Washington-Oregon Joint Parley Off; Executives to Meet

SEATTLE—Cancellation of the proposed joint annual meeting of the Washington and Oregon Insurance Agents Associations, scheduled for Aug. 26-29 at Portland, is announced this week in a joint statement issued by officers of both organizations.

Principal reason for the move, according to President Harry Hollister and President Frank N. Bellinger of Oregon and Washington, respectively, is to comply with the request of the Office of Defense Transportation that only conventions directly related to the war effort be held. "The holding of a convention in time of war, unless absolutely necessary, is not deemed to be in keeping with the spirit of the times to conserve transportation, time and effort," the officials said.

Brief Business Sessions

Instead of the big two-state rally originally planned, each state association will hold a skeletonized business meeting to transact necessary business only. The Oregon association will hold a one-day session Aug. 28 at Portland. There will be a session of the executive committee in the morning, followed by a membership business meeting in the afternoon. A dinner in the evening will conclude the program.

The Washington association is calling upon all of its local boards to designate their executive committee representatives and local presidents as official delegates to an evening session in Seattle Aug. 31, and thus permit a small body to transact necessary business. In effect, the steering body of the association will conduct business, such as election of officers, which is normally transacted by the membership. The session will be a dinner gathering and will be held at the Olympic Hotel. Aug. 31 was selected so that members of the contact committee would be in Seattle to confer with the Washington Advisory Committee the following day.

To maintain contact with the membership of the Washington and Oregon associations, a special bulletin covering business transacted, committee reports and other developments will be issued.

Distributes Prizes on Coast

Charles R. Page, president of Fireman's Fund, presented eight awards to students attaining highest grades in the Insurance Institute examinations conducted by the Fire Underwriters Association of the Pacific at San Francisco.

The winners were: A. P. Cummings, Hartford Accident, casualty III; Kenyon P. White, St. Paul, fire II; Tillson

Barrows, Royal-Liverpool, general principles; Richard Woolley, Springfield, fire III; H. T. Brett, Marine office, inland marine; C. F. Vannice, Balfour Guthrie & Company, ocean marine; Marston Fields, Associated Indemnity and Ian E. Lang, Finn-Elbow & Medcraft, tied, casualty II.

Mr. Cummings, who was also last year's winner of the \$50 award, was again presented with a check for \$50 by Mr. Page for highest rating in all divisions. Each of the other students received \$25.

Business Good Now, Future Uncertain, Agents Report

SAN FRANCISCO—"Business is good now and the future development rests entirely in the hands of the agents themselves," is the way the California Association of Insurance Agents sums up a series of replies received in a statewide survey to determine the attitude and opinion of agents.

Recognizing that war conditions, especially in those sections where large war industries are located, are not normal and cannot be considered a criterion on which to base opinions as to the future, most of the replies indicated that while some former business may be lost for some years to come, other little developed lines are now receiving the attention of active agents.

It is the general opinion that the automobile situation has not yet revealed itself to its fullest extent but each month is having its effect on insurance premiums. Apparently not as much business has been salvaged from dealer agents and finance companies as some agents expected, but this is also probably affected by the shortness of time since the automobile sales restrictions became effective. A reduction in volume of automobile insurance is expected as more cars are forced out of use, or such use becomes more limited.

Some agencies in war industry sections show large increases in volume. Reports indicate an increase in accident and health, fidelity bonds, rents and rental values, mercantile stocks—the latter also being a questionable matter as far as the future goes. There is also a gradual closing of small business houses—forced out by war restrictions, priorities and other conditions. Lack of new construction is also having its effect on general business.

The consensus seems to be that there will be many changes but that the American agency system will survive and probably strengthen its fundamental base.

In the areas along the coast agents feel that war damage insurance will assist them in developing better relations with clients and with an increasing insurance consciousness on the part of the public they have been able to increase amounts of standard fire insurance on buildings where the war damage questions revealed higher valuations than those contained in the original normal policies.

War Risk on Portland Bridges

PORTLAND, ORE.—War risk insurance on the several county-owned bridges which span the Willamette river in Portland is being purchased by the Multnomah county commissioners. Chairman Shull said an extensive survey had been made to determine the value of the bridges.

U. S. Raids Insurance Offices

SAN FRANCISCO—Demands by government bureaus and agencies for help are being seriously felt in San Francisco insurance offices. Government agencies are conducting an active campaign to enlist new employees to go to Washington and to war plant locations about the San Francisco bay district and the insurance business seems to be considered the logical source from which to recruit these new workers. Employees

of present manufacturing war industries are being encouraged to remain on their present jobs, as are employees of public utilities.

Bush, Harding Butte Speakers

BUTTE, MONT.—At a meeting of the Butte County Insurance Agents Association, L. S. Bush, chief engineer Pacific Board, discussed "Rural Fire Protection" and Wiley Harding, Fireman's Fund, San Francisco, spoke on "Farm Insurance."

Seattle Program on War Damage

SEATTLE—War risk insurance was featured on the "Victory Square" noon program July 11. Appearing on the program were D. K. MacDonald of Carter, MacDonald & Co., who is president of the Seattle Chamber of Commerce, and Felix Kurz, vice-president of General of Seattle. They told of the War Damage Corporation insurance program and its administration by the insurance industry.

Spokane War Risk Round Table

LeRoy B. Way of Elmendorf-Anthony Co. led a round-table discussion on war risk insurance at the luncheon meeting of the Spokane (Wash.) Insurance Association. Leon G. Greene, vice-president of the association, had charge of the meeting.

War Cover for Seattle Schools

SEATTLE—The Seattle school district has completed application for war risk insurance on all of its properties, coverage aggregating \$19,400,000, with a premium of \$16,000. The line was placed through the King County Insurance Association with Stuart G. Thompson-Elwell Co., Seattle general agency, serving as fiduciary agent.

Seek Cover on Mont. Armories

Bids for insurance on the state armories at Bozeman, Helena and Poplar have been called by the Montana state board of examiners. The bids will be opened July 20 at Helena.

Values for fire insurance purposes have been estimated at \$135,000 at the Bozeman location, \$144,000, at Helena and \$54,000 for the Poplar armory. Coverage sought is for fire and supplemental on a 90 percent coinsurance basis and earthquake on 50 percent coinsurance with 15 percent deductible.

Idaho Farm Rules Revised

The Idaho Surveying & Rating Bureau announces revisions in the farm tariff, including expansion of the rules to provide for covering growing field seed crops other than cereal grains. A special endorsement is required for this coverage. Basis rates for sole occupancy grain storage facilities of frame construction and contents are now provided. Text of the rule for grain pledged to the Commodity Credit Corporation is revised to include provisions for storage of pledged grain in private facilities not on farms.

Big Albuquerque Lumber Loss

ALBUQUERQUE—A \$100,000 fire, the worst this city has suffered since 1939, swept the A. R. Losh Lumber Company yards, completely destroying a large brick warehouse, several sheds and nearly the entire stock of piled lumber. Only the office building, which burned Dec. 13 and was rebuilt of fireproofed stucco, was saved. Because of war-time priorities, much of the material necessary to rebuild the plant can not be obtained.

Insurance Racketeer Convicted

LOS ANGELES—Alan T. Spiher, alias Alan Allen, has been convicted on two counts of petty theft in connection with a racket worked on insurance agents and brokers under which he collected advance commissions on fictitious business.

Spiher previously had been convicted on a charge of grand theft and forgery in connection with similar transactions

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ATLANTIC FIRE INSURANCE CO.
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and had served six months in the county jail. He is exceedingly well posted on all phases of insurance, and also all the tricks of the trade.

Fire Patrol Meets July 16

The Underwriters Fire Patrol of San Francisco, which has been in operation since the early days of the city, is holding its semi-annual meeting, July 16. For several years there have been reports that the patrol will be turned over to the city and county of San Francisco because of increased costs and labor controversies.

NEWS BRIEFS

Security National of Galveston, represented in California by F. Earl Alderson of Los Angeles, is withdrawing from the state.

Kenneth J. Morford of the Burwell & Morford agency has been named chairman of the Seattle Housing Authority. He has been a member of the commission ever since it was created several years ago.

The Insurance Women of Pueblo, Colo., had as guest speaker **Charles W. Schoelzel**, manager Van Schaack & Co. general agency, Denver, on personal property floater insurance.

The **Seattle Blanket Club** held its annual picnic July 11, in charge of Earle Evans, United Pacific.

E. A. Baker, station officer of the London fire brigade, and Rudolf Haybrook, artist and auxiliary fireman, addressed numerous gatherings of civic groups and air raid organization gatherings during a stay of several days in **Portland, Ore.**

The annual picnic of the **Portland Association of Insurance Agents** was held July 16. **Fred E. Jewett** of **Dorman** was general chairman.

C. D. Swett, well known broker and local agent of Redwood City, Cal., and San Francisco, has purchased the agency in **Redwood City** formerly conducted by **Dave Walter** and **John E. Perry Jr.**

CANADIAN

Secure New P. P. F. Pledge

WINNIPEG—The Personal Property Floater Insurance Conference announces a non-intercourse pledge has been obtained from the Insurance Agents Association of Winnipeg, under which Winnipeg agents agree to place business with conference members only. Recent rulings have been made by the conference authorizing attachment of additional living expenses endorsement without extra premium and giving permission for members to use the C. I. U. A. wording as an optional form to the conference rider. Bicycle coverage now given under the P. P. F. may not be extended in any manner, according to the same bulletin.

Weigh Auto Dealers Request

TORONTO—Attorney-general Conant of Ontario discloses that an application of the Ontario Federation of Automobile Dealers Association of Canada to license auto dealers to transact automobile insurance will be considered and will likely go to Premier Hepburn and the cabinet for final ruling as to policy. The government has not approved of automobile dealers heretofore

being licensed to write automobile insurance. Scores of telegrams have been received by Superintendent McNairn, in which the dealers urge consideration be given to this request. Opposition to this movement, from both agents and companies, is reported to be mounting.

Graduates Society Elects

J. H. Clooney, London Assurance, has been elected president of the Graduates Society of the Insurance Institute of Montreal. Vice-president is **J. N. Plumbley**, Prudential of England; secretary-treasurer, **Tom Hanson**, Phoenix of Hartford.

Young Made Manitoba Inspector

Donald M. Young has been appointed inspector for Manitoba by Canadian Fire to succeed **George E. Henderson**, who is transferred to the Toronto branch.

Dunlop Advanced by Atlas

Clarence E. Sanders, manager for Canada of Atlas Assurance and Essex & Suffolk, has appointed **Donald J. Dunlop** assistant manager of both companies. Mr. Dunlop has been with the Atlas group in Canada 15 years. He started with Rainnie & Co., Halifax general agents, in 1916, remaining there until 1927, when he joined Atlas as inspector and supervisor for the maritime provinces. Recently he has been fire superintendent.

Nightingale Assistant Manager

R. J. Nightingale has been appointed assistant manager for Canada of the Century group, with head office at Vancouver. He has just arrived in Canada from England, where he was agency superintendent for the same group in Great Britain.

Keeling Heads B. C. Blue Goose

New officers of the British Columbia Blue Goose are: Most loyal gander, **F. Temple Keeling**, Seeley & Co.; supervisor, **F. M. Hann**, Hobson, Christie & Co.; custodian, **Harold Darling**, British America Securities; guardian, **Gordon B. McLaren**; keeper, **Ralph Horton**, Union of Canton; welder, **Frank Monahan**.

Matson in War Risk Post

James Matson of Montreal, general manager of Royal, has been designated as supervisor of war damage insurance under the war risk insurance plan of the Canadian government. The announcement was made by **J. L. Ilsley**, minister of finance, at the time of the second reading of the pending bill and amendments in the House of Commons. Mr. Matson is already at work on the projected setup.

MacDonald Goes to Calgary

Employers Liability has transferred **F. MacDonald** from the head office in Montreal to Calgary to replace **J. Venables** as Alberta inspector.

The Insurance Women of Lincoln held their annual picnic at the home of **Mrs. Ethel Vanous**. **Celia Lappert** was elected secretary to succeed **Nelsine Scofield**, resigned. The Sioux City association will be entertained at the September meeting. Omaha insurance workers are to be invited, preliminary to organizing in that city.

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Marine Surcharge Rates Increased

NEW YORK—Marine underwriters in this market announced increases in the wartime marine surcharge rates on cargo shipments. The increased rates will be effective immediately on special risks and 30 day notices are being sent to open policy assured advising them of the new rates which will be effective under those open policies on shipments made on and after Aug. 15.

This surcharge is in the nature of an additional charge against the regular marine policy as distinct from the war risk cover. The wartime marine surcharge was adopted in February, 1940, and has been increased several times since then.

One of the most important changes is in the western hemisphere, the surcharge rate being increased from the existing 1/2 percent which was adopted in January of this year, to 3/4 percent. However, a number of exceptions have been made for special voyages which may be short in duration or for which it was felt special consideration could be given, so that there are rates as low as .1 percent and on voyages confined to certain harbors, rivers, bays or canals, no surcharge is applicable.

The 1/2 percent surcharge rate which has been applicable to shipments to or from ports in the United Kingdom, Irish Free State and continent of Europe, Azores, Madeira, Canary and Cape Verde Islands, Greenland and Iceland has been increased to 3/4 percent and the 1/2 percent surcharge rate applicable to shipments to and from ports in the Mediterranean, Black and Red Seas, Gulf of Aden and Persian Gulf, French Morocco north of and including Casablanca and Spanish Morocco including Tangier has been increased to 3/4 percent.

The rate on shipments to and from ports in Australia, New Zealand, Tasmania, India, Ceylon and Africa (excluding Mediterranean and French and Spanish Morocco) has been increased from 1/4 percent to 1/2 percent.

Shipments of metals and ingots or similar form, gold, silver and precious metals and precious stones take the full surcharge rates except where such interests are carried in properly constructed bullion rooms, in which case 50 percent of the above rates are charged.

Tax Bill Includes Levy on Mutuals

WASHINGTON—The House ways and means committee this week reported the 1942 tax bill.

Three new paragraphs were added in the insurance section to provide for the few participating stock companies, which pay dividends to policyholders which are analogous to those paid by mutual companies and are held to be entitled to similar treatment. Deductions are to be allowed for the increase in surplus apportioned to policyholders and for

dividends and other distributions paid to policyholders, which are to be computed under section 207 except that the amount which would be allowed if the taxpayer were taxable under section 207 is to be determined by an apportionment of investment income designed to allow for the fact that the company is not entirely mutual and some investment income is allocable to stockholders rather than policyholders.

The exemption for mutual companies has been revised so that it will be limited to companies or associations writing insurance contracts solely on a mutual basis, if the mean of the ledger assets held at the beginning and end of the taxable year does not exceed \$100,000. Practically all of the farmers' and other small local mutuals have less than \$100,000 in assets and will not be required to file returns or pay any income taxes. In addition, even where assets exceed the \$100,000 limitation and a return must be filed, it is provided that no income tax is payable unless the corporation surtax net income (which may be greater than, but can never be less than, the normal tax net income) is over \$50,000.

In the case of mutuals which are not granted these exceptions, it is proposed to subject them to income tax on the sum of their investment and underwriting income in a manner somewhat similar to that applied to stock companies.

The chief difference between the present section 204 and the proposed section 207 is that provision must be made for two new deductions for which no occasion arises in the operations of the ordinary companies subject to the tax imposed by section 204. These are the deductions for dividends returned to policyholders and additions to surplus apportioned to policyholders.

Abandoned Cars Are Found in Some Sections

The Retail Credit Company speaks of a situation that is reported from its San Francisco office involving abandoned cars, those being left behind when men in the services have been compelled to leave on short notice. Its Pacific Coast office states that the question is one of considerable importance. The provost marshal collects these cars and takes them to a special parking lot where they are under guard. His office then attempts to locate the legal owners and if successful notifies them that the cars are in its possession. Frequently the men will leave some direction for disposal of their automobiles. The Retail Credit Company states that many cars have been found abandoned on the highways near military posts and in nearby towns as well as on the grounds of the reservations.

Parking Lot Operator Can't Avoid Liability

Parking lots, garages, etc., cannot avoid responsibility for property left with them. The operator of such places occupies the position of a bailee. A

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bailment, says the Minnesota supreme court in *Dennis vs. Coleman's Parking & Greasing Station, Inc.*, is the contract or legal relation created by the delivery of goods without a transference of ownership, on an agreement, express or implied, that they be returned or accounted for. Upon the bailee, said the court, is placed the burden of establishing before the jury that his negligence did not cause the loss. Sometimes the operator of such a place tries to protect himself from claims by putting up signs, or printing stipulations on the check given the customers, but it is a general rule that no one can bargain in advance to be excused for his own negligence. Thus the operator must prove that he was not negligent, no matter what signs he has put up.

In the Minnesota case a customer had been patronizing a parking lot for four

years or more. One morning he drove in as usual, and as the attendant was not in sight, he left the car, with the keys in it, and went on about his business. In the afternoon when he called for his car it could not be found. Later it was discovered in a badly wrecked condition, and he brought suit against the parking lot operator for the damage done to the car. He won a verdict, and this was sustained by the supreme court.

The parking lot operator tried to set up contributory negligence, in the fact that the patron left the car unattended, with no one in sight, but the court said the evidence introduced showing the practice over a period of years made it a question for the jury whether the leaving of the car in that manner was a procedure approved of by the operator, and the jury had decided in favor of the patron.

Manager C. T. Redfield as manager of the new monthly premium department of Redfield Associates. He has been associated with the office for nine years.

Auto Death Record

For the week ended July 4 the number of automobile fatalities in the cities comprehended in the Bureau of the Census reports declined 16.8 from the record of the same week in 1941. For the first 26 weeks of the year the fatalities were 8.5 percent less than during the same period in 1941.

New Cincinnati Equipment

The Cincinnati Salvage Corps is very proud of its new squad car which was specially designed for the service and departs from the usual practice of adopting a truck chassis and body for a salvage unit. Walter H. Alexander of the M. L. Alexander & Son agency at Cincinnati is chairman of the new equipment committee and had much to do with acquiring the car. The driver's cab has been finely adjusted and has many refinements. The rear of the body provides an excellent storage space and utility with side-wall compartments for nails, hammers, nozzles, tar paper, chamois, sponges, squeegees, saws, jacks, etc. At the rear door there are two portable extinguishers in recessed floor sockets. Ladders are carried in the ceiling. On each side wall is a folding seat to accommodate six men. Beneath the seats are gas masks and first aid kits. There is provision for carrying 40 protection canvas covers. There is a short wave radio in the driver's compartment and the entire crew may hear orders received from Station X or a fire tower.

MARINE INSURANCE NEWS

Canadian Group Changes Effective Date on Floater and Revises Commissions

TORONTO—The effective date of the new personal property rules, rates and forms being promulgated by the Canadian Inland Underwriters Association was set back to Oct. 1 at the annual meeting here. The executive committee had previously postponed the effective date from July 1 to Sept. 1 but at the general meeting it was felt that more time was necessary for printing and distributing the forms. Final approval was given on all the changes which were published last week.

The acquisition cost rules were fully reconsidered and it was decided to amend Schedule A of the acquisition cost rules as follows:

Existing Class 1 and the commission rate to remain unchanged; Class 2 to consist of the jewelers' block policy only at 15 percent commission; Class 3 to consist of the personal property floater and any class which might be scheduled thereunder at 25 percent; and Class 4 the balance of the policies (subject to the present exemption of registered mail and armored car and messenger sending policies) at 20 percent. In addition, certain amendments relating to commissions in the maritime provinces on the personal property floater were adopted. The executive committee was authorized to deal with the matter of exceptions.

Some Business Is Being Done on Contact Lenses

Some of the marine companies have been writing coverage on contact lenses, sometimes called "invisible glasses." The risk is written under the broad form miscellaneous articles floater, which includes breakage. The companies are not particularly interested in the breakage hazard, which is very severe on lenses made from any substance other than plastic. A considerable quantity of these contact lenses now are being manufactured.

The cost of the all risk floater is 3 percent per year, with a minimum premium of \$10 unless the amount of insurance applied for is about \$100 or less. In that case, the minimum premium is \$5 per year. The policies are issued on an annual basis only. In more than one instance, agents are securing a \$15 minimum premium per policy.

Contact lenses are not new. They first made their appearance about 18 years ago, but it was not until two or three years ago that they began to be used to any extent by the public. The lenses are specially ground and fitted for each wearer, and the cost runs from \$100 to \$500. While they were first used in Hollywood, there has been

some demand for them by industrial workers whose occupation requires the use of goggles.

Push Contractors Floater

Marine companies are now pushing for contractors equipment floater insurance due to the fact that many large war projects are under way in many localities. All insurable hazards can be covered under this comprehensive form. The companies write term business at 2½ times the annual rate in most states, with a minimum premium of \$10 a year.

Return Premium Disallowed

The superior court in Montreal has ruled that a \$3,838 war risk premium covering a shipment of wood pulp shipped from Montreal need not be returned even though the cargo got no further than Quebec. The wood pulp was destined for Bordeaux but when France fell the vessel's master put in at Quebec.

The Canadian custodian of enemy property brought the action on the ground that the cargo was never at risk and was not on board an overseas vessel, the overseas character of the voyage having changed to one merely from Montreal to Quebec.

In ruling in favor of *Eagle Star*, the defendant, the court held that the risk had commenced and that the ship was still an overseas vessel in spite of the fact that a condition of war made it necessary for her to discharge her cargo at Quebec.

Late Casualty News

Offering Monthly Premium A. & H. Insurance

Mutual Benefit Health & Accident and United Benefit Life have initiated monthly premium accident and health insurance and are field-testing the plan through Redfield Associates, managers in Chicago.

The new contracts are available to preferred and standard risks. Age limits have been increased for these forms and there is no classification of risks.

H. J. Penner has been appointed by

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Sale of War Cover Continues Apace

(CONTINUED FROM PAGE 26)

change of Los Angeles now has functioning daily a committee known as the Insurance Exchange war damage committee on interpretations. The members are: Willson Pierce, Jr., acting president of the exchange, chairman; William H. Menn, Harry Perk, Jr., Eugene Battles, W. B. Glassick, Vernon C. Bogy, and W. H. McGee, Frank J. Hagan, assistant secretary Loyalty group, and Fred Spear, president of Spear & Co., general agents.

The committee was organized after a visit to San Francisco by Mr. Pierce, for the purpose of having the Pacific Coast war damage committee on interpretations authorize the formation of the committee in the south.

The committee meets each morning and may pass on requests for interpretations, if already made, or if no previous interpretation has been given, then it passes on the requests to the Pacific Coast committee. If no interpretation has been given, the coast committee passes the requests to the New York committee, whose ruling is final. The

On Guard!

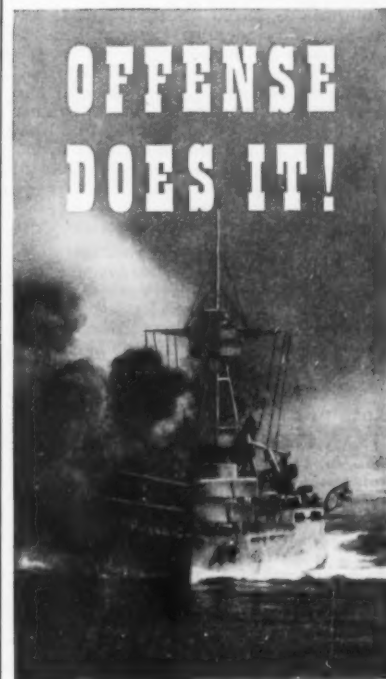
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Exchange committee can make no interpretations of itself, but can simply pass on to producers the interpretations originating in New York. No verbal requests will be received by the committee.

The Exchange is publishing daily a bulletin in which appear rulings and interpretations based on the requests received. No individual answers to requests will be made.

Mr. Pierce estimates that approximately 90 percent of the industrial and mercantile classifications here are either insured or are being insured and that 50 percent of the non-mortgaged dwellings are being insured and 100 percent of the mortgaged property.

IOWA MUTUALS ADVERTISE

DES MOINES—Fifteen mutual companies in Iowa are offering war damage insurance through their agents, it was announced by the Iowa Association of Mutual Insurance Associations in a large advertisement carried in a Des Moines newspaper.

NOW ROUTINE WORK

SAN FRANCISCO—With the formation of the war damage interpretations committee here and its meetings daily throughout the past week, the general confusion which marked the start of this coverage, has been practically dissipated and the business is now being handled with promptness and dispatch. The heavy congestion in offices was reduced by the authority to issue binders and the activities of the interpretations committee.

All company inquiries are sent to this committee, of which H. F. Badger, secretary of the Pacific Board, is secretary and A. V. Holman, assistant secretary America Fore, chairman.

By the end of last week the necessity of having employees work late into each night had been reduced and the present work is largely in completing the coverages now under binders.

According to company executives very little business was received from the territory inland or much east of 70 miles from the coast. About 80 percent of the total originated in California.

DETROIT CITY INSURES

DETROIT—The common council authorized the Detroit Association of Insurance Agents to place on binder until July 31 war damage cover on its principal buildings, including those of the board of education, to the value of \$58,974,825. The association had previously placed this insurance on the principal Wayne county buildings. The 100 percent coinsurance clause was used. The

controller was instructed to pay the premium out of the contingent fund and to set up a war damage fund into which \$90,000 will be transferred from the contingent fund. It is proposed to cover ultimately \$82,000,000 of city property, the largest items being \$28,000,000 on the buildings of the department of light and power and \$24,000,000 on schools.

BIG LINES IN CONNECTICUT

HARTFORD—Three Hartford insurance companies as fiduciary agents, have written WDC policies covering almost \$90,000,000 of Connecticut state buildings and other property against bomb damage. Total premiums were \$82,429, according to announcement by Comptroller Dowe.

For a premium of \$75,814 Phoenix of Hartford insured state property valued at \$84,000,000, including state bridges valued at \$18,000,000 which had never before been insured against fire. The new Hartford-East Hartford bridge, valued at \$2,100,000, was insured by the Hartford Bridge Commission with Hartford Fire for a premium of \$2,520. The New London Bridge Commission insured the bridge now under construction between that city and Groton with Travelers Fire for a premium of \$4,095. The structure is valued at \$3,150,000.

NEW ORLEANS RETURNS TO NORMAL

NEW ORLEANS—New Orleans insurance offices are returning to normal after more than two weeks of days and night work handling the rush of applications for war damage insurance. A number of agents sent applications direct to their home offices but many availed themselves of the services of the three local fiduciary agents—Lafayette Fire and the general agencies of Henry A. Steckler and Godchaux & Mayer. Up to last week the Steckler office had issued 5,000 policies, Godchaux & Mayer, 2,000 and the Lafayette Fire, 600. Most of this business came from New Orleans, coastal towns, Baton Rouge and Shreveport. Inland towns, as a rule, did not show much interest.

New Orleans Public Service is reported to have insured their properties for \$33,000,000, the largest New Orleans line written. The Mississippi river bridge, just above New Orleans, was insured for \$11,200,000 and the city of New Orleans took out \$15,000,000 on public buildings. N. O. Housing Authority took \$14,000,000. Sewerage & Water Board and school board still have the matter under consideration. Board of commissioners of the Port of New Orleans has advertised for bids on \$23,000,000 war damage insurance. It is the board's policy to advertise for all

insurance and it made no exception in this case.

CANCELLATION ISSUE IN MICH.

LANSING—Michigan department officials are receiving inquiries from some insured regarding cancellation of war damage policies obtained from private carriers prior to the entry of the WDC into the field.

The contracts, according to Frank Cordero, deputy commissioner, are non-cancellable and the department is giving the inquirers no encouragement as to the possibility of dropping their old coverage in order to take advantage of the lower governmental rates.

STUDY PROBLEM OF BANKS

WASHINGTON—Julius E. Loh has been appointed chairman of the insurance committee of the District Bankers' Association of Washington, which will study and make an early report on coverage of all assets, both in the banking and trust departments in connection with insurance offered by the WDC. Mr. Loh is vice president of the Second National Bank.

BALTIMORE CITY INSURES

BALTIMORE—War damage insurance totaling \$64,673,974 has been ordered by the city comptroller of Baltimore, on city properties ranging from the city hall to the city morgue. The insurance is to be placed through Fidelity & Guaranty Fire and the transaction is to be handled by three local brokers: Poor, Bowen, Bartlett & Kennedy, Inc.; Riall Jackson Co. and Riggs, Rossman & Hunter. The insurance is to be written on 90 percent coinsurance and the premiums total \$77,775. Each of the brokers is entitled to the \$1,000 maximum broker's fee.

PRIVATE COVER IS BARRED

COLUMBIA, S. C.—Commissioner Benjamin has issued a ruling that private companies licensed in the state can-

not write war risk insurance here. It does not apply to contracts now in force. He states that because of the federal government providing insurance through the War Damage Corporation and because of the lack of experience on which to determine proper rates and reserves and because of extreme hazards involved all such insurance must be written through the War Damage Corporation. He considers it as acting as in a war emergency capacity and he said it has not yet applied for a license.

He notifies companies that all policies must be countersigned by a resident agent according to state law. This applies, he rules, to war damage insurance.

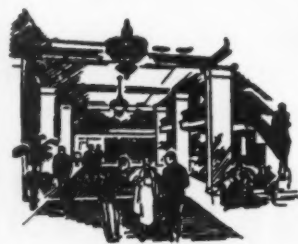
Best Elected Secretary of National Retailers

Fred T. Best has been elected secretary of National Retailers Mutual, a member of the Kemper group of Chicago. He began in the western department of Crum & Forster in 1913, for five years being in the underwriting and loss departments.

After service in the first world war, he joined the Kemper group in 1919 as underwriter and accountant of Lumbermen & Manufacturers. He joined National Retailers in 1920 and was elected assistant secretary in 1934. Mr. Best is a director of Lumbermen & Manufacturers Inspection Bureau, president of the Underwriters & Accountants Association of the mill mutuals and secretary of American Motorists Fire.

Rock Island Storm Claims

Rock Island, Ill., local agents have been busy looking after windstorm claims as a tornado struck the locality July 5. The tornado was about 50 feet in the air and therefore did not do as much damage as was anticipated. However local offices are busy looking after claims.



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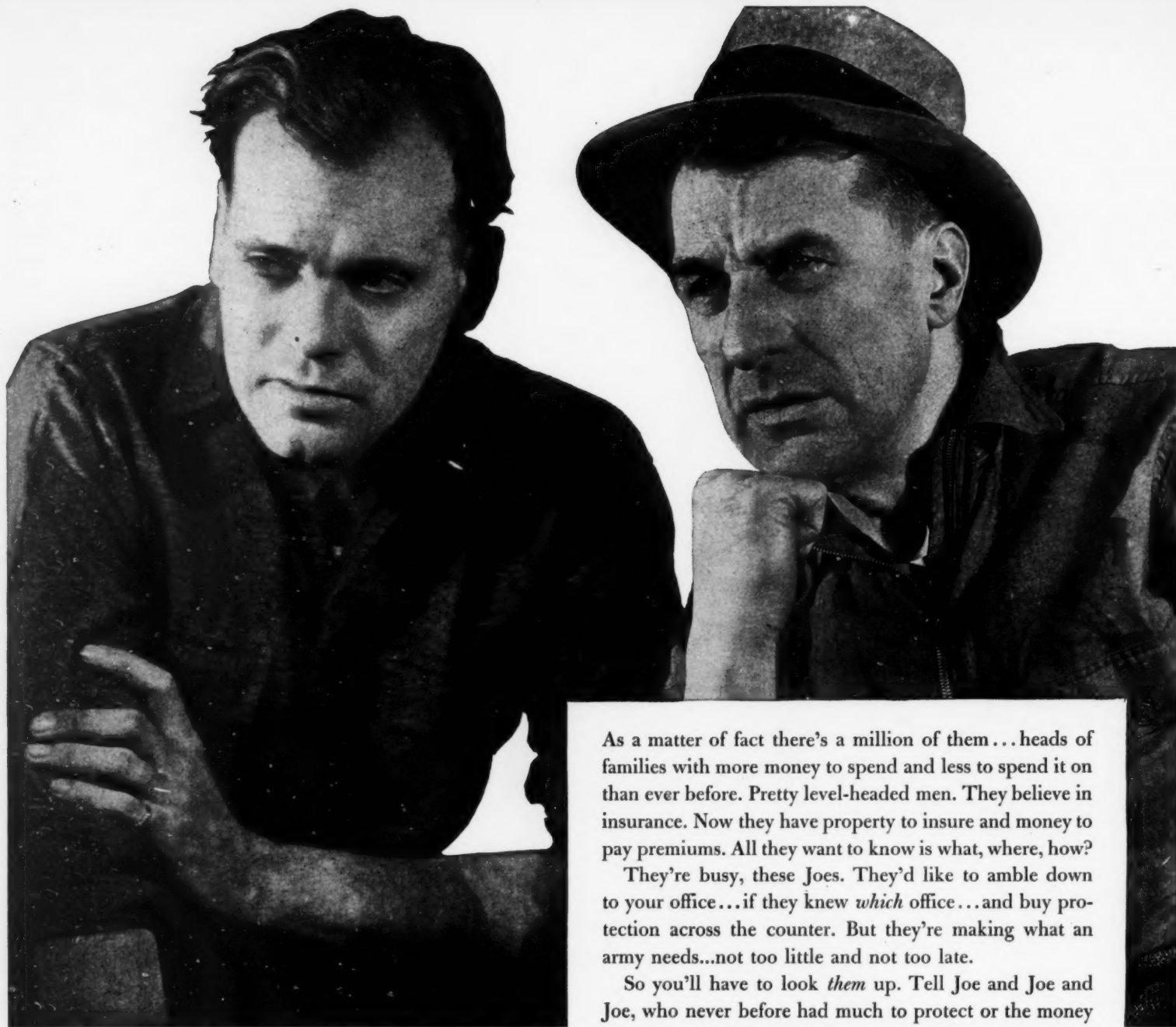
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